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# STATE OF NORTH CAROLINA

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## Session Laws and Resolutions

PASSED BY THE

1975 GENERAL ASSEMBLY

AT ITS

SECOND SESSION 1976\*

HELD IN THE CITY OF RALEIGH

BEGINNING ON

MONDAY, THE THIRD DAY OF MAY, A.D., 1976

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ISSUED BY  
SECRETARY OF STATE THAD EURE

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PUBLISHED BY AUTHORITY

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\*The 1975 General Assembly convened on January 15, 1975, and adjourned on June 26, 1975, to reconvene on May 3, 1976; the body adjourned *sine die* on May 14, 1976. Session Law Chapters 1 through 975 and Resolutions 1 through 121 were passed during the First Session 1975 and are published in a separate volume. Session Law Chapters 976 through 983 and Resolutions 122 through 128 were passed during the Second Session 1976 and are published in this volume. Since the Second Session 1976 was brief and produced a relatively small number of Session Laws and Resolutions, the index to this volume is not cumulative; only the Session Laws and Resolutions of the 1975 General Assembly, Second Session 1976, are indexed in this volume. Session Laws and Resolutions of the 1975 General Assembly, First Session 1975, are indexed in the separate volume.

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# STATE OF NORTH CAROLINA

## PRESIDING OFFICERS OF THE GENERAL ASSEMBLY 1975

JAMES B. HUNT, JR. .... President of the Senate ..... Wilson  
JAMES C. GREEN ..... Speaker of the House of Representatives .. Bladen

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## EXECUTIVE DEPARTMENT

(Offices established by the Constitution, filled by  
election, and constituting the Council of State)

\*JAMES E. HOLSHOUSER, JR. (R) ... Governor ..... Watauga  
\*JAMES B. HUNT, JR. .... Lt. Governor ..... Wilson  
\*THAD EURE ..... Secretary of State ..... Hertford  
HENRY L. BRIDGES ..... Auditor ..... Guilford  
EDWIN GILL ..... Treasurer ..... Scotland  
CRAIG PHILLIPS ..... Superintendent of  
Pubic Instruction ..... Guilford  
\*RUFUS L. EDMISTEN ..... Attorney General ..... Watauga  
JAMES A. GRAHAM ..... Commissioner of  
Agriculture ..... Rowan  
\*\*W. C. CREEL ..... Commissioner of Labor ..... Wake  
JOHN RANDOLPH INGRAM ..... Commissioner of Insurance .. Randolph  
\*Renders direct services to the General Assembly.  
\*\*Deceased, replaced by T. Avery Nye, Jr., Robeson, appointed September  
17, 1975.

The political affiliation of legislators and members of the Council of State  
listed on this and following pages is Democratic unless designated Repub-  
lican by the abbreviation (R).

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G. S. 147-16.1 authorizes publication of Executive Orders of the Governor  
in the Session Laws of North Carolina. Executive Orders from Governor  
Holshouser are carried in the Appendix to this volume.

## GENERAL ASSEMBLY 1975

## SENATE OFFICERS

<i>Name</i>	<i>Position</i>	<i>Address</i>
JAMES B. HUNT, JR. ....	President .....	Lucama
JOHN T. HENLEY .....	President pro tempore .....	Hope Mills
*ROY ROWE .....	Principal Clerk .....	Raleigh
LEROY CLARK .....	Reading Clerk .....	Wendell
VINSON BRIDGERS, JR. ....	Sergeant-at-Arms .....	Raleigh

## SENATORS

<i>DISTRICT</i>	<i>NAME</i>	<i>COUNTY</i>	<i>ADDRESS</i>
1	MELVIN R. DANIELS, JR. ....	Pasquotank .....	Elizabeth City
1	JOSEPH J. HARRINGTON .....	Bertie .....	Lewiston
2	D. LIVINGSTONE STALLINGS .....	Craven .....	New Bern
3	WILLIAM D. MILLS .....	Onslow .....	Maysville
4	WILLIAM GREY SMITH .....	New Hanover .....	Wilmington
5	HAROLD W. HARDISON .....	Lenoir .....	Deep Run
6	JULIAN R. ALLSBROOK .....	Halifax .....	Roanoke Rapids
6	VERNON E. WHITE .....	Pitt .....	Winterville
7	DALLAS L. ALFORD, JR. ....	Nash .....	Rocky Mount
7	J. RUSSELL KIRBY .....	Wilson .....	Wilson
8	THOMAS E. STRICKLAND .....	Wayne .....	Goldsboro
9	EDWARD RENFROW .....	Johnston .....	Smithfield
10	JOHN T. HENLEY .....	Cumberland .....	Hope Mills
10	GLENN R. JERNIGAN .....	Cumberland .....	Fayetteville
11	EDD NYE .....	Bladen .....	Elizabethtown
12	LUTHER J. BRITT, JR. ....	Robeson .....	Lumberton
13	KENNETH C. ROYALL, JR. ....	Durham .....	Durham
13	WILLIS P. WHICHARD .....	Durham .....	Durham
14	BOB L. BAKER .....	Wake .....	Raleigh
14	WILLIAM W. STATON .....	Lee .....	Sanford
14	JOHN W. WINTERS .....	Wake .....	Raleigh
15	GEORGE W. MARION, JR. ....	Surry .....	Dobson
15	WESLEY D. WEBSTER .....	Rockingham .....	Madison
16	CHARLES E. VICKERY .....	Orange .....	Chapel Hill
16	RUSSELL WALKER .....	Randolph .....	Asheboro
17	JAMES B. GARRISON .....	Stanly .....	Albemarle
17	MRS. MARY HORNE ODOM .....	Scotland .....	Wagram
18	RALPH H. SCOTT .....	Alamance .....	Haw River
19	MRS. KATHERINE H. SEBO .....	Guilford .....	Greensboro
19	LYNWOOD SMITH .....	Guilford .....	High Point
19	MCNEILL SMITH .....	Guilford .....	Greensboro
20	E. LAWRENCE DAVIS .....	Forsyth .....	Winston-Salem
20	CARL D. TOTHEROW .....	Forsyth .....	Winston-Salem
21	JACK CHILDERS .....	Davidson .....	Lexington
21	THOMAS H. SUDDARTH .....	Davidson .....	Lexington
22	FRED D. ALEXANDER .....	Mecklenburg .....	Charlotte
22	CY N. BAHAKEL .....	Mecklenburg .....	Matthews
22	JAMES D. McDUFFIE .....	Mecklenburg .....	Charlotte
22	HERMAN A. MOORE .....	Mecklenburg .....	Charlotte
23	BOBBY LEE COMBS .....	Catawba .....	Hickory
23	PLEAS LACKEY .....	Alexander .....	Hiddenite
24	DONALD R. KINCAID (R) .....	Caldwell .....	Lenoir
24	J. WADE WALSH .....	Caldwell .....	Lenoir
25	OLLIE HARRIS .....	Cleveland .....	Kings Mountain
25	WILLIAM K. MAUNEY, JR. ....	Cleveland .....	Kings Mountain
25	MARSHALL A. RAUCH .....	Gaston .....	Gastonia
26	I. C. CRAWFORD .....	Buncombe .....	Asheville
26	LAMAR GUDGER .....	Buncombe .....	Asheville
27	CECIL J. HILL .....	Transylvania .....	Brevard
27	JOE H. PALMER .....	Haywood .....	Clyde

\*Resigned; replaced by Mrs. Sylvia Fink, Raleigh, elected effective July 1, 1976.

## HOUSE OFFICERS

<i>Name</i>	<i>Position</i>	<i>Address</i>
JAMES C. GREEN .....	Speaker .....	Clarkton
C. KITCHIN JOSEY .....	Speaker pro tempore .....	Scotland Neck
MRS. GRACE A. COLLINS .....	Principal Clerk .....	Fuquay-Varina
SAM J. BURROW, JR. ....	Reading Clerk .....	Asheboro
*ARCHIE T. LANE .....	Sergeant-at-Arms .....	Hertford

## REPRESENTATIVES

<i>DISTRICT</i>	<i>NAME</i>	<i>COUNTY</i>	<i>ADDRESS</i>
1	VERNON G. JAMES .....	Pasquotank .....	Elizabeth City
1	W. STANFORD WHITE .....	Dare .....	Manns Harbor
2	HOWARD B. CHAPIN .....	Beaufort .....	Washington
3	CHRIS S. BARKER, JR. ....	Craven .....	New Bern
3	JOE L. BRIGHT .....	Craven .....	Vanceboro
3	DANIEL T. LILLEY .....	Lenoir .....	Kinston
4	MRS. WILDA HURST .....	Onslow .....	Hubert
4	RONALD EARL MASON .....	Carteret .....	Beaufort
4	HUGH C. SANDLIN .....	Onslow .....	Jacksonville
5	ROBERTS H. JERNIGAN, JR. ....	Hertford .....	Ahoskie
5	J. GUY REVELLE, SR. ....	Northampton .....	Conway
6	GEORGE P. CULLIPHER .....	Martin .....	Williamston
6	C. KITCHIN JOSEY .....	Halifax .....	Scotland Neck
7	ALLEN C. BARBEE .....	Nash .....	Spring Hope
7	A. HARTWELL CAMPBELL .....	Wilson .....	Wilson
7	JOHN ED DAVENPORT .....	Nash .....	Nashville
7	LARRY P. EAGLES .....	Edgecombe .....	Tarboro
8	SAM D. BUNDY .....	Pitt .....	Farmville
8	H. HORTON ROUNTREE .....	Pitt .....	Greenville
9	HENSON P. BARNES .....	Wayne .....	Goldsboro
9	MRS. JOHN B. CHASE .....	Wayne .....	Eureka
10	THOMAS J. BAKER .....	Duplin .....	Wallace
11	ALLEN C. WARD .....	Brunswick .....	Shallotte
12	S. THOMAS RHODES (R) .....	New Hanover .....	Wilmington
12	BENJAMIN D. SCHWARTZ .....	New Hanover .....	Wilmington
13	THOMAS W. ELLIS, JR. ....	Vance .....	Henderson
13	BOBBY W. ROGERS .....	Vance .....	Henderson
13	WILLIAM T. WATKINS .....	Granville .....	Oxford
14	JACK M. GARDNER .....	Johnston .....	Smithfield
14	BARNEY PAUL WOODARD .....	Johnston .....	Princeton
15	ALLEN ADAMS .....	Wake .....	Raleigh
15	MRS. RUTH E. COOK .....	Wake .....	Raleigh
15	WILLIAM A. CREECH .....	Wake .....	Raleigh
15	ROBERT L. FARMER .....	Wake .....	Raleigh
15	JOSEPH E. JOHNSON .....	Wake .....	Raleigh
15	WADE M. SMITH .....	Wake .....	Raleigh
16	MRS. PATRICIA GRIFFIN .....	Durham .....	Durham
16	H. M. MICHAUX, JR. ....	Durham .....	Durham
16	GEORGE M. MILLER, JR. ....	Durham .....	Durham
17	EDWARD S. HOLMES .....	Chatham .....	Pittsboro
17	MRS. PATRICIA S. HUNT .....	Orange .....	Chapel Hill
18	CARSON GREGORY .....	Harnett .....	Angier
18	JAMES L. LOVE .....	Lee .....	Sanford
19	JAMES C. GREEN .....	Bladen .....	Clarkton
19	R. C. SOLES, JR. ....	Columbus .....	Tabor City
19	RICHARD WRIGHT .....	Columbus .....	Tabor City
20	R. D. BEARD .....	Cumberland .....	Fayetteville
20	GEORGE W. BREECE .....	Cumberland .....	Fayetteville
20	CHARLES HOLT .....	Cumberland .....	Fayetteville
20	HECTOR E. RAY .....	Cumberland .....	Fayetteville
20	MRS. LURA TALLY .....	Cumberland .....	Fayetteville
21	JOY J. JOHNSON .....	Robeson .....	Fairmont
21	HENRY WARD OXENDINE .....	Robeson .....	Pembroke
21	DAVID R. FARNELL .....	Robeson .....	Parkton
22	**DAVID M. BLACKWELL .....	Rockingham .....	Reidsville
22	W. S. HARRIS, JR. ....	Alamance .....	Graham
22	JOHN M. JORDAN .....	Alamance .....	Saxapahaw
22	***JAMES E. LONG .....	Alamance .....	Burlington
23	HENRY E. FRYE .....	Guilford .....	Greensboro
23	THOMAS O. GILMORE .....	Guilford .....	Greensboro
23	LEO HEER .....	Guilford .....	High Point
23	CHARLES W. PHILLIPS .....	Guilford .....	Greensboro
23	THOMAS B. SAWYER .....	Guilford .....	Greensboro

\*Resigned; replaced by C. Graham Tart, Clinton, elected May 3, 1976.

\*\*Resigned; replaced by Rep. Conrad Duncan, Stoneville, appointed August 18, 1975.

\*\*\*Resigned; replaced by Rep. Bertha M. Holt, Burlington, appointed August 18, 1975.

DISTRICT	NAME	COUNTY	ADDRESS
23	W. MARCUS SHORT	Guilford	Greensboro
23	CHARLES E. WEBB	Guilford	Greensboro
24	GILBERT R. DAVIS	Randolph	Randleman
24	J. T. PUGH, JR.	Randolph	Asheboro
25	T. CLYDE AUMAN	Moore	West End
26	FOYLE HIGHTOWER, JR.	Anson	Wadesboro
27	THOMAS B. HUNTER	Richmond	Rockingham
28	PORTER C. COLLINS, JR.	Alleghany	Laurel Springs
28	DAVID H. DIAMONT	Surry	Pilot Mountain
28	J. WORTH GENTRY	Stokes	King
29	JUDSON DAVID DeRAMUS, JR.	Forsyth	Winston-Salem
29	RICHARD C. ERWIN	Forsyth	Winston-Salem
29	FRED S. HUTCHINS, JR. (R)	Forsyth	Winston-Salem
29	NED R. SMITH	Forsyth	Winston-Salem
29	MRS. MARGARET TENNILLE	Forsyth	Winston-Salem
30	PETER W. HAIRSTON	Davie	Advance
30	LARRY E. LEONARD	Davidson	Thomasville
30	JOHN VARNER	Davidson	Lexington
31	ROBIE L. NASH	Rowan	Salisbury
31	A. NEAL SMITH	Rowan	Woodleaf
32	*RICHARD LANE BROWN, III	Stanly	Norwood
33	AARON W. PLYLER	Union	Monroe
33	DWIGHT W. QUINN	Cabarrus	Kannapolis
33	**ART W. THOMAS	Cabarrus	Concord
34	JAMES H. EDWARDS	Caldwell	Granite Falls
34	GEORGE M. HOLMES (R)	Yadkin	Hamptonville
34	RALPH PRESTWOOD	Caldwell	Lenoir
35	J. P. HUSKINS	Iredell	Statesville
35	WILLIAM H. McMILLAN	Iredell	Statesville
36	MRS. MARILYN R. BISSELL (R)	Mecklenburg	Charlotte
36	LAURENCE A. COBB (R)	Mecklenburg	Charlotte
36	MRS. JO GRAHAM FOSTER	Mecklenburg	Charlotte
36	H. PARKS HELMS	Mecklenburg	Charlotte
36	W. CRAIG LAWING	Mecklenburg	Charlotte
36	MRS. CAROLYN MATHIS (R)	Mecklenburg	Charlotte
36	LEROY P. SPOON, JR. (R)	Mecklenburg	Charlotte
36	BEN TISON	Mecklenburg	Charlotte
37	T. CASS BALLENGER (R)	Catawba	Hickory
37	MRS. FRANCES E. SETZER	Catawba	Newton
38	E. GRAHAM BELL	Gaston	Gastonia
38	DAVID W. BUMGARDNER, JR.	Gaston	Belmont
38	JOHN R. GAMBLE, JR.	Lincoln	Lincolnton
38	CARL J. STEWART, JR.	Gaston	Gastonia
39	WILLIS H. LACHOT, JR.	Burke	Morganton
39	MRS. MYRTLE E. WISEMAN	Avery	Spruce Pine
40	ROBERT Z. FALLS	Cleveland	Shelby
40	***JOHN J. HUNT	Cleveland	Lattimore
40	ROBERT A. JONES	Rutherford	Forest City
41	GLENN A. MORRIS	McDowell	Marion
42	FRED R. DORSEY (R)	Henderson	East Flat Rock
43	CLAUDE DeBRUHL	Buncombe	Candler
43	HERBERT L. HYDE	Buncombe	Asheville
43	MRS. MARY C. NESBITT	Buncombe	Asheville
43	JOHN S. STEVENS	Buncombe	Asheville
44	EENESE B. MESSER	Haywood	Canton
44	LISTON B. RAMSEY	Madison	Marshall
45	JEFF H. ENLOE, JR.	Macon	Franklin

\*Resigned; replaced by Rep. Janet Pickler, New London, appointed February 25, 1976.

\*\*Deceased; replaced by Rep. Betty D. Thomas, Concord, appointed October 21, 1975.

\*\*\*Resigned; replaced by Rep. Edith Lutz, Lawndale, appointed May 3, 1976.

## LEGISLATIVE SERVICES COMMISSION

SENATOR JOHN T. HENLEY, *Co-Chairman*

SPEAKER JAMES C. GREEN, *Co-Chairman*

SEN. JAMES B. GARRISON	REP. CLAUDE DEBRUHL
SEN. HAROLD W. HARDISON	*REP. KITCHIN JOSEY
SEN. JOSEPH J. HARRINGTON	REP. CRAIG LAWING
SEN. KENNETH C. ROYALL, JR.	REP. LISTON B. RAMSEY
SEN. RALPH SCOTT	**REP. ART THOMAS
SEN. WESLEY D. WEBSTER	REP. WILLIAM T. WATKINS

## LEGISLATIVE SERVICES STAFF

CLYDE L. BALL.....	Legislative Services Officer
WILLIAM H. POTTER, JR.....	Director of Research
MERCER DOTY.....	Director of Fiscal Research
BROOKS W. POOLE.....	Legislative Building Superintendent

\*Did not file for reelection in 1977; replaced by Rep. John Ed Davenport, appointed June 9, 1976.

\*\*Deceased; replaced by Rep. Robert Z. Falls, appointed October 24, 1975.



CONSTITUTION  
OF THE  
State of North Carolina

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PREAMBLE

We, the people of the State of North Carolina, grateful to Almighty God, the Sovereign Ruler of Nations, for the preservation of the American Union and the existence of our civil, political and religious liberties, and acknowledging our dependence upon Him for the continuance of those blessings to us and our posterity, do, for the more certain security thereof and for the better government of this State, ordain and establish this Constitution.

ARTICLE I

DECLARATION OF RIGHTS

That the great, general, and essential principles of liberty and free government may be recognized and established, and that the relations of this State to the Union and government of the United States and those of the people of this State to the rest of the American people may be defined and affirmed, we do declare that:

SECTION 1. *The equality and rights of persons.* We hold it to be self-evident that all persons are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, the enjoyment of the fruits of their own labor, and the pursuit of happiness.

SEC. 2. *Sovereignty of the people.* All political power is vested in and derived from the people; all government of right originates from the people, is founded upon their will only, and is instituted solely for the good of the whole.

SEC. 3. *Internal government of the State.* The people of this State have the inherent, sole, and exclusive right of regulating the internal government and police thereof, and of altering or abolishing their Constitution and form of government whenever it may be necessary to their safety and happiness; but every such right shall be exercised in pursuance of law and consistently with the Constitution of the United States.

SEC. 4. *Secession prohibited.* This State shall ever remain a member of the American Union; the people thereof are part of the American nation; there is no right on the part of this State to secede; and all attempts, from whatever source or upon whatever pretext, to dissolve this Union or to sever this Nation, shall be resisted with the whole power of the State.

SEC. 5. *Allegiance to the United States.* Every citizen of this State owes paramount allegiance to the Constitution and government of the United States, and no law or ordinance of the State in contravention or subversion thereof can have any binding force.



SEC. 6. *Separation of powers.* The legislative, executive, and supreme judicial powers of the State government shall be forever separate and distinct from each other.

SEC. 7. *Suspending laws.* All power of suspending laws or the execution of laws by any authority, without the consent of the representatives of the people, is injurious to their rights and shall not be exercised.

SEC. 8. *Representation and taxation.* The people of this State shall not be taxed or made subject to the payment of any impost or duty without the consent of themselves or their representatives in the General Assembly, freely given.

SEC. 9. *Frequent elections.* For redress of grievances and for amending and strengthening the laws, elections shall be often held.

SEC. 10. *Free elections.* All elections shall be free.

SEC. 11. *Property qualifications.* As political rights and privileges are not dependent upon or modified by property, no property qualification shall affect the right to vote or hold office.

SEC. 12. *Right of assembly and petition.* The people have a right to assemble together to consult for their common good, to instruct their representatives, and to apply to the General Assembly for redress of grievances; but secret political societies are dangerous to the liberties of a free people and shall not be tolerated.

SEC. 13. *Religious liberty.* All persons have a natural and inalienable right to worship Almighty God according to the dictates of their own consciences, and no human authority shall, in any case whatever, control or interfere with the rights of conscience.

SEC. 14. *Freedom of speech and press.* Freedom of speech and of the press are two of the great bulwarks of liberty and therefore shall never be restrained, but every person shall be held responsible for their abuse.

SEC. 15. *Education.* The people have a right to the privilege of education, and it is the duty of the State to guard and maintain that right.

SEC. 16. *Ex post facto laws.* Retrospective laws, punishing acts committed before the existence of such laws and by them only declared criminal, are oppressive, unjust, and incompatible with liberty, and therefore no ex post facto law shall be enacted. No law taxing retrospectively sales, purchases, or other acts previously done shall be enacted.

SEC. 17. *Slavery and involuntary servitude.* Slavery is forever prohibited. Involuntary servitude, except as a punishment for crime whereof the parties have been adjudged guilty, is forever prohibited.

SEC. 18. *Courts shall be open.* All courts shall be open; every person for an injury done him in his lands, goods, person, or reputation shall have remedy by due course of law; and right and justice shall be administered without favor, denial, or delay.



SEC. 19. *Law of the land; equal protection of the laws.* No person shall be taken, imprisoned, or disseized of his freehold, liberties, or privileges, or outlawed, or exiled, or in any manner deprived of his life, liberty, or property, but by the law of the land. No person shall be denied the equal protection of the laws; nor shall any person be subjected to discrimination by the State because of race, color, religion, or national origin.

SEC. 20. *General warrants.* General warrants, whereby any officer or other person may be commanded to search suspected places without evidence of the act committed, or to seize any person or persons not named, whose offense is not particularly described and supported by evidence, are dangerous to liberty and shall not be granted.

SEC. 21. *Inquiry into restraints on liberty.* Every person restrained of his liberty is entitled to a remedy to inquire into the lawfulness thereof, and to remove the restraint if unlawful, and that remedy shall not be denied or delayed. The privilege of the writ of habeas corpus shall not be suspended.

SEC. 22. *Modes of prosecution.* Except in misdemeanor cases initiated in the District Court Division, no person shall be put to answer any criminal charge but by indictment, presentment, or impeachment. But any person, when represented by counsel, may, under such regulations as the General Assembly shall prescribe, waive indictment in noncapital cases.

SEC. 23. *Rights of accused.* In all criminal prosecutions, every person charged with crime has the right to be informed of the accusation and to confront the accusers and witnesses with other testimony, and to have counsel for defense, and not be compelled to give self-incriminating evidence, or to pay costs, jail fees, or necessary witness fees of the defense, unless found guilty.

SEC. 24. *Right of jury trial in criminal cases.* No person shall be convicted of any crime but by the unanimous verdict of a jury in open court. The General Assembly may, however, provide for other means of trial for misdemeanors, with the right of appeal for trial de novo.

SEC. 25. *Right of jury trial in civil cases.* In all controversies at law respecting property, the ancient mode of trial by jury is one of the best securities of the rights of the people, and shall remain sacred and inviolable.

SEC. 26. *Jury service.* No person shall be excluded from jury service on account of sex, race, color, religion, or national origin.

SEC. 27. *Bail, fines, and punishments.* Excessive bail shall not be required, nor excessive fines imposed, nor cruel or unusual punishments inflicted.

SEC. 28. *Imprisonment for debt.* There shall be no imprisonment for debt in this State, except in cases of fraud.

SEC. 29. *Treason against the State.* Treason against the State shall consist only of levying war against it or adhering to its enemies by giving them aid and comfort. No person shall be convicted of treason unless on the testimony of two witnesses to the same overt act, or on confession in open court.

No conviction of treason or attainder shall work corruption of blood or forfeiture.

SEC. 30. *Militia and the right to bear arms.* A well regulated militia being necessary to the security of a free State, the right of the people to keep and bear arms shall not be infringed; and, as standing armies in time of peace are dangerous to liberty, they shall not be maintained, and the military shall be kept under strict subordination to, and governed by, the civil power. Nothing herein shall justify the practice of carrying concealed weapons, or prevent the General Assembly from enacting penal statutes against that practice.

SEC. 31. *Quartering of soldiers.* No soldier shall in time of peace be quartered in any house without the consent of the owner, nor in time of war but in a manner prescribed by law.

SEC. 32. *Exclusive emoluments.* No person or set of persons is entitled to exclusive or separate emoluments or privileges from the community but in consideration of public services.

SEC. 33. *Hereditary emoluments and honors.* No hereditary emoluments, privileges, or honors shall be granted or conferred in this State.

SEC. 34. *Perpetuities and monopolies.* Perpetuities and monopolies are contrary to the genius of a free state and shall not be allowed.

SEC. 35. *Recurrence to fundamental principles.* A frequent recurrence to fundamental principles is absolutely necessary to preserve the blessings of liberty.

SEC. 36. *Other rights of the people.* The enumeration of rights in this Article shall not be construed to impair or deny others retained by the people.

## ARTICLE II

### LEGISLATIVE

SECTION 1. *Legislative power.* The legislative power of the State shall be vested in the General Assembly, which shall consist of a Senate and a House of Representatives.

SEC. 2. *Number of Senators.* The Senate shall be composed of 50 Senators, biennially chosen by ballot.

SEC. 3. *Senate districts; apportionment of Senators.* The Senators shall be elected from districts. The General Assembly, at the first regular session convening after the return of every decennial census of population taken by order of Congress, shall revise the senate districts and the apportionment of Senators among those districts, subject to the following requirements:

(1) Each Senator shall represent, as nearly as may be, an equal number of inhabitants, the number of inhabitants that each Senator represents being determined for this purpose by dividing the population of the district that he represents by the number of Senators apportioned to that district;

- (2) Each senate district shall at all times consist of contiguous territory;
- (3) No county shall be divided in the formation of a senate district;
- (4) When established, the senate districts and the apportionment of Senators shall remain unaltered until the return of another decennial census of population taken by order of Congress.

SEC. 4. *Number of Representatives.* The House of Representatives shall be composed of 120 Representatives, biennially chosen by ballot.

SEC. 5. *Representative districts; apportionment of Representatives.* The Representatives shall be elected from districts. The General Assembly, at the first regular session convening after the return of every decennial census of population taken by order of Congress, shall revise the representative districts and the apportionment of Representatives among those districts, subject to the following requirements:

(1) Each Representative shall represent, as nearly as may be, an equal number of inhabitants, the number of inhabitants that each Representative represents being determined for this purpose by dividing the population of the district that he represents by the number of Representatives apportioned to that district;

(2) Each representative district shall at all times consist of contiguous territory;

(3) No county shall be divided in the formation of a representative district.

(4) When established, the representative districts and the apportionment of Representatives shall remain unaltered until the return of another decennial census of population taken by order of Congress.

SEC. 6. *Qualifications for Senator.* Each Senator, at the time of his election, shall be not less than 25 years of age, shall be a qualified voter of the State, and shall have resided in the State as a citizen for two years and in the district for which he is chosen for one year immediately preceding his election.

SEC. 7. *Qualifications for Representative.* Each Representative, at the time of his election, shall be a qualified voter of the State, and shall have resided in the district for which he is chosen for one year immediately preceding his election.

SEC. 8. *Elections.* The election for members of the General Assembly shall be held for the respective districts in 1972 and every two years thereafter, at the places and on the day prescribed by law.

SEC. 9. *Term of office.* The term of office of Senators and Representatives shall commence at the time of their election.

SEC. 10. *Vacancies.* Every vacancy occurring in the membership of the General Assembly by reason of death, resignation, or other cause shall be filled in the manner prescribed by law.

SEC. 11. *Sessions.*

(1) *Regular sessions.* The General Assembly shall meet in regular session in 1973 and every two years thereafter on the day prescribed by law. Neither house shall proceed upon public business unless a majority of all of its members are actually present.

(2) *Extra sessions on legislative call.* The President of the Senate and the Speaker of the House of Representatives shall convene the General Assembly in extra session by their joint proclamation upon receipt by the President of the Senate of written requests therefor signed by three-fifths of all the members of the Senate and upon receipt by the Speaker of the House of Representatives of written requests therefor signed by three-fifths of all the members of the House of Representatives.

SEC. 12. *Oath of members.* Each member of the General Assembly, before taking his seat, shall take an oath or affirmation that he will support the Constitution and laws of the United States and the Constitution of the State of North Carolina, and will faithfully discharge his duty as a member of the Senate or House of Representatives.

SEC. 13. *President of the Senate.* The Lieutenant Governor shall be President of the Senate and shall preside over the Senate, but shall have no vote unless the Senate is equally divided.

SEC. 14. *Other officers of the Senate.*

(1) *President Pro Tempore — succession to presidency.* The Senate shall elect from its membership a President Pro Tempore, who shall become President of the Senate upon the failure of the Lieutenant Governor-elect to qualify, or upon succession by the Lieutenant Governor to the office of Governor, or upon the death, resignation, or removal from office of the President of the Senate, and who shall serve until the expiration of his term of office as Senator.

(2) *President Pro Tempore — temporary succession.* During the physical or mental incapacity of the President of the Senate to perform the duties of his office, or during the absence of the President of the Senate, the President Pro Tempore shall preside over the Senate.

(3) *Other Officers.* The Senate shall elect its other officers.

SEC. 15. *Officers of the House of Representatives.* The House of Representatives shall elect its Speaker and other officers.

SEC. 16. *Compensation and allowances.* The members and officers of the General Assembly shall receive for their services the compensation and allowances prescribed by law. An increase in the compensation or allowances of members shall become effective at the beginning of the next regular session of the General Assembly following the session at which it was enacted.

SEC. 17. *Journals.* Each house shall keep a journal of its proceedings, which shall be printed and made public immediately after the adjournment of the General Assembly.

SEC. 18. *Protests.* Any member of either house may dissent from and protest against any act or resolve which he may think injurious to the public or to any individual, and have the reasons of his dissent entered on the journal.

SEC. 19. *Record votes.* Upon motion made in either house and seconded by one fifth of the members present, the yeas and nays upon any question shall be taken and entered upon the journal.

SEC. 20. *Powes of the General Assembly.* Each house shall be judge of the qualifications and elections of its own members, shall sit upon its own adjournment from day to day, and shall prepare bills to be enacted into laws. The two houses may jointly adjourn to any future day or other place. Either house may, of its own motion, adjourn for a period not in excess of three days.

SEC. 21. *Style of the acts.* The style of the acts shall be: "The General Assembly of North Carolina enacts:".

SEC. 22. *Action on bills.* All bills and resolutions of a legislative nature shall be read three times in each house before they become laws, and shall be signed by the presiding officers of both houses.

SEC. 23. *Revenue bills.* No law shall be enacted to raise money on the credit of the State, or to pledge the faith of the State directly or indirectly for the payment of any debt, or to impose any tax upon the people of the State, or to allow the counties, cities, or towns to do so, unless the bill for the purpose shall have been read three several times in each house of the General Assembly and passed three several readings, which readings shall have been on three different days, and shall have been agreed to by each house respectively, and unless the yeas and nays on the second and third readings of the bill shall have been entered on the journal.

SEC. 24. *Limitations on local, private, and special legislation.*

(1) *Prohibited subjects.* The General Assembly shall not enact any local, private, or special act or resolution:

- (a) Relating to health, sanitation, and the abatement of nuisances;
- (b) Changing the names of cities, towns, and townships;
- (c) Authorizing the laying out, opening, altering, maintaining, or discontinuing of highways, streets, or alleys;
- (d) Relating to ferries or bridges;
- (e) Relating to non-navigable streams;
- (f) Relating to cemeteries;
- (g) Relating to the pay of jurors;
- (h) Erecting new townships, or changing township lines, or establishing or changing the lines of school districts;



- (i) Remitting fines, penalties, and forfeitures, or refunding moneys legally paid into the public treasury;
- (j) Regulating labor, trade, mining, or manufacturing;
- (k) Extending the time for the levy or collection of taxes or otherwise relieving any collector of taxes from the due performance of his official duties or his sureties from liability;
- (l) Giving effect to informal wills and deeds;
- (m) Granting a divorce or securing alimony in any individual case;
- (n) Altering the name of any person, or legitimating any person not born in lawful wedlock, or restoring to the rights of citizenship any person convicted of a felony.

(2) *Repeals.* Nor shall the General Assembly enact any such local, private, or special act by partial repeal of a general law; but the General Assembly may at any time repeal local, private, or special laws enacted by it.

(3) *Prohibited acts void.* Any local, private, or special act or resolution enacted in violation of the provisions of this Section shall be void.

(4) *General laws.* The General Assembly may enact general laws regulating the matters set out in this Section.

### ARTICLE III

#### EXECUTIVE

SECTION 1. *Executive power.* The executive power of the State shall be vested in the Governor.

SEC. 2. *Governor and Lieutenant Governor: election, term, and qualifications.*

(1) *Election and term.* The Governor and Lieutenant Governor shall be elected by the qualified voters of the State in 1972 and every four years thereafter, at the same time and places as members of the General Assembly are elected. Their term of office shall be four years and shall commence on the first day of January next after their election and continue until their successors are elected and qualified.

(2) *Qualifications.* No person shall be eligible for election to the office of Governor or Lieutenant Governor unless, at the time of his election, he shall have attained the age of 30 years and shall have been a citizen of the United States for five years and a resident of this State for two years immediately preceding his election. No person elected to either of these two offices shall be eligible for election to the next succeeding term of the same office.

SEC. 3. *Succession to office of Governor.*

(1) *Succession as Governor.* The Lieutenant Governor-elect shall become Governor upon the failure of the Governor-elect to qualify. The Lieutenant

Governor shall become Governor upon the death, resignation, or removal from office of the Governor. The further order of succession to the office of Governor shall be prescribed by law. A successor shall serve for the remainder of the term of the Governor whom he succeeds and until a new Governor is elected and qualified.

(2) *Succession as Acting Governor.* During the absence of the Governor from the State, or during the physical or mental incapacity of the Governor to perform the duties of his office, the Lieutenant Governor shall be Acting Governor. The further order of succession as Acting Governor shall be prescribed by law.

(3) *Physical incapacity.* The Governor may, by a written statement filed with the Attorney General, declare that he is physically incapable of performing the duties of his office, and may thereafter in the same manner declare that he is physically capable of performing the duties of his office.

(4) *Mental incapacity.* The mental incapacity of the Governor to perform the duties of his office shall be determined only by joint resolution adopted by a vote of two-thirds of all the members of each house of the General Assembly. Thereafter, the mental capacity of the Governor to perform the duties of his office shall be determined only by joint resolution adopted by a vote of a majority of all the members of each house of the General Assembly. In all cases, the General Assembly shall give the Governor such notice as it may deem proper and shall allow him an opportunity to be heard before a joint session of the General Assembly before it takes final action. When the General Assembly is not in session, the Council of State, a majority of its members concurring, may convene it in extra session for the purpose of proceeding under this paragraph.

(5) *Impeachment.* Removal of the Governor from office for any other cause shall be by impeachment.

SEC. 4. *Oath of office for Governor.* The Governor, before entering upon the duties of his office, shall, before any Justice of the Supreme Court, take an oath or affirmation that he will support the Constitution and laws of the United States and of the State of North Carolina, and that he will faithfully perform the duties pertaining to the office of Governor.

#### SEC. 5. *Duties of Governor.*

(1) *Residence.* The Governor shall reside at the seat of government of this State.

(2) *Information to General Assembly.* The Governor shall from time to time give the General Assembly information of the affairs of the State and recommend to their consideration such measures as he shall deem expedient.

(3) *Budget.* The Governor shall prepare and recommend to the General Assembly a comprehensive budget of the anticipated revenue and proposed expenditures of the State for the ensuing fiscal period. The budget as enacted by the General Assembly shall be administered by the Governor.

(4) *Execution of laws.* The Governor shall take care that the laws be faithfully executed.

(5) *Commander in Chief.* The Governor shall be Commander in Chief of the military forces of the State except when they shall be called into the service of the United States.

(6) *Clemency.* The Governor may grant reprieves, commutations, and pardons, after conviction, for all offenses (except in cases of impeachment), upon such conditions as he may think proper, subject to regulations prescribed by law relative to the manner of applying for pardons. The terms reprieves, commutations, and pardons shall not include paroles.

(7) *Extra sessions.* The Governor may, on extraordinary occasions, by and with the advice of the Council of State, convene the General Assembly in extra session by his proclamation, stating therein the purpose or purposes for which they are thus convened.

(8) *Appointments.* The Governor shall nominate and by and with the advice and consent of a majority of the Senators appoint all officers whose appointments are not otherwise provided for.

(9) *Information.* The Governor may at any time require information in writing from the head of any administrative department or agency upon any subject relating to the duties of his office.

(10) *Administrative reorganization.* The General Assembly shall prescribe the functions, powers, and duties of the administrative departments and agencies of the State and may alter them from time to time, but the Governor may make such changes in the allocation of offices and agencies and in the allocation of those functions, powers, and duties as he considers necessary for efficient administration. If those changes affect existing law, they shall be set forth in executive orders, which shall be submitted to the General Assembly not later than the sixtieth calendar day of its session, and shall become effective and shall have the force of law upon adjournment sine die of the session, unless specifically disapproved by resolution of either house of the General Assembly or specifically modified by joint resolution of both houses of the General Assembly.

SEC. 6. *Duties of the Lieutenant Governor.* The Lieutenant Governor shall be President of the Senate; but shall have no vote unless the Senate is equally divided. He shall perform such additional duties as the General Assembly or the Governor may assign to him. He shall receive the compensation and allowances prescribed by law.

SEC. 7. *Other elective officers.*

(1) *Officers.* A Secretary of State, an Auditor, a Treasurer, a Superintendent of Public Instruction, an Attorney General, a Commissioner of Agriculture, a Commissioner of Labor, and a Commissioner of Insurance shall be elected by the qualified voters of the State in 1972 and every four years thereafter, at the same time and places as members of the General Assembly are elected. Their term of office shall be four years and shall



commence on the first day of January next after their election and continue until their successors are elected and qualified.

(2) *Duties.* Their respective duties shall be prescribed by law.

(3) *Vacancies.* If the office of any of these officers is vacated by death, resignation, or otherwise, it shall be the duty of the Governor to appoint another to serve until his successor is elected and qualified. Every such vacancy shall be filled by election at the first election for members of the General Assembly that occurs more than 30 days after the vacancy has taken place, and the person chosen shall hold the office for the remainder of the unexpired term fixed in this Section. When a vacancy occurs in the office of any of the officers named in this Section and the term expires on the first day of January succeeding the next election for members of the General Assembly, the Governor shall appoint to fill the vacancy for the unexpired term of the office.

(4) *Interim officers.* Upon the occurrence of a vacancy in the office of any one of these officers for any of the causes stated in the preceding paragraph, the Governor may appoint an interim officer to perform the duties of that office until a person is appointed or elected pursuant to this Section to fill the vacancy and is qualified.

(5) *Acting officers.* During the physical or mental incapacity of any one of these officers to perform the duties of his office, as determined pursuant to this Section, the duties of his office shall be performed by an acting officer who shall be appointed by the Governor.

(6) *Determination of incapacity.* The General Assembly shall by law prescribe with respect to those officers, other than the Governor, whose offices are created by this Article, procedures for determining the physical or mental incapacity of any officer to perform the duties of his office, and for determining whether an officer who has been temporarily incapacitated has sufficiently recovered his physical or mental capacity to perform the duties of his office. Removal of those officers from office for any other cause shall be by impeachment.

SEC. 8. *Council of State.* The Council of State shall consist of the officers whose offices are established by this Article.

SEC. 9. *Compensation and allowances.* The officers whose offices are established by this Article shall at stated periods receive the compensation and allowances prescribed by law, which shall not be diminished during the time for which they have been chosen.

SEC. 10. *Seal of State.* There shall be a seal of the State, which shall be kept by the Governor and used by him as occasion may require, and shall be called "The Great Seal of the State of North Carolina". All grants and commissions shall be issued in the name and by the authority of the State of North Carolina, sealed with "The Great Seal of the State of North Carolina", and signed by the Governor.

SEC. 11. *Administrative departments.* Not later than July 1, 1975, all administrative departments, agencies, and offices of the State and their

respective functions, powers, and duties shall be allocated by law among and within not more than 25 principal administrative departments so as to group them as far as practicable according to major purposes. Regulatory, quasi-judicial, and temporary agencies may, but need not, be allocated within a principal department.

## ARTICLE IV

### JUDICIAL

SECTION 1. *Judicial power.* The judicial power of the State shall, except as provided in Section 3 of this Article, be vested in a Court for the Trial of Impeachments and in a General Court of Justice. The General Assembly shall have no power to deprive the judicial department of any power or jurisdiction that rightfully pertains to it as a co-ordinate department of the government, nor shall it establish or authorize any courts other than as permitted by this Article.

SEC. 2. *General Court of Justice.* The General Court of Justice shall constitute a unified judicial system for purposes of jurisdiction, operation, and administration, and shall consist of an Appellate Division, a Superior Court Division, and a District Court Division.

SEC. 3. *Judicial powers of administrative agencies.* The General Assembly may vest in administrative agencies established pursuant to law such judicial powers as may be reasonably necessary as an incident to the accomplishment of the purposes for which the agencies were created. Appeals from administrative agencies shall be to the General Court of Justice.

SEC. 4. *Court for the Trial of Impeachments.* The House of Representatives solely shall have the power of impeaching. The Court for the Trial of Impeachments shall be the Senate. When the Governor or Lieutenant Governor is impeached, the Chief Justice shall preside over the Court. A majority of the members shall be necessary to a quorum, and no person shall be convicted without the concurrence of two-thirds of the Senators present. Judgment upon conviction shall not extend beyond removal from and disqualification to hold office in this State, but the party shall be liable to indictment and punishment according to law.

SEC. 5. *Appellate division.* The Appellate Division of the General Court of Justice shall consist of the Supreme Court and the Court of Appeals.

SEC. 6. *Supreme Court.*

(1) *Membership.* The Supreme Court shall consist of a Chief Justice and six Associate Justices, but the General Assembly may increase the number of Associate Justices to not more than eight. In the event the Chief Justice is unable, on account of absence or temporary incapacity, to perform any of the duties placed upon him, the senior Associate Justice available may discharge those duties.

(2) *Sessions of the Supreme Court.* The sessions of the Supreme Court shall be held in the City of Raleigh unless otherwise provided by the General Assembly.

SEC. 7. *Court of Appeals.* The structure, organization, and composition of the Court of Appeals shall be determined by the General Assembly. The Court shall have not less than five members, and may be authorized to sit in divisions, or other than en banc. Sessions of the Court shall be held at such times and places as the General Assembly may prescribe.

SEC. 8. *Retirement of Justices and Judges.* The General Assembly shall provide by general law for the retirement of Justices and Judges of the General Court of Justice, and may provide for the temporary recall of any retired Justice or Judge to serve on the court from which he was retired. The General Assembly shall also prescribe maximum age limits for service as a Justice or Judge.

SEC. 9. *Superior Courts.*

(1) *Superior Court districts.* The General Assembly shall, from time to time, divide the State into a convenient number of Superior Court judicial districts and shall provide for the election of one or more Superior Court Judges for each district. Each regular Superior Court Judge shall reside in the district for which he is elected. The General Assembly may provide by general law for the selection or appointment of special or emergency Superior Court Judges not selected for a particular judicial district.

(2) *Open at all times; sessions for trial of cases.* The Superior Courts shall be open at all times for the transaction of all business except the trial of issues of fact requiring a jury. Regular trial sessions of the Superior Court shall be held at times fixed pursuant to a calendar of courts promulgated by the Supreme Court. At least two sessions for the trial of jury cases shall be held annually in each county.

(3) *Clerks.* A Clerk of the Superior Court for each county shall be elected for a term of four years by the qualified voters thereof, at the same time and places as members of the General Assembly are elected. If the office of Clerk of the Superior Court becomes vacant otherwise than by the expiration of the term, or if the people fail to elect, the senior regular resident Judge of the Superior Court serving the county shall appoint to fill the vacancy until an election can be regularly held.

SEC. 10. *District Courts.* The General Assembly shall, from time to time, divide the State into a convenient number of local court districts and shall prescribe where the District Courts shall sit, but a District Court must sit in at least one place in each county. District Judges shall be elected for each district for a term of four years, in a manner prescribed by law. When more than one District Judge is authorized and elected for a district, the Chief Justice of the Supreme Court shall designate one of the judges as Chief District Judge. Every District Judge shall reside in the district for which he is elected. For each county, the senior regular resident Judge of the Superior Court serving the county shall appoint for a term of two years, from nominations submitted by the Clerk of the Superior Court of the county, one or more Magistrates who shall be officers of the District Court. The number of District Judges and Magistrates shall, from time to time, be determined by the General Assembly. Vacancies in the office of District

Judge shall be filled for the unexpired term in a manner prescribed by law. Vacancies in the office of Magistrate shall be filled for the unexpired term in the manner provided for original appointment to the office.

SEC. 11. *Assignment of Judges.* The Chief Justice of the Supreme Court, acting in accordance with rules of the Supreme Court, shall make assignments of Judges of the Superior Court and may transfer District Judges from one district to another for temporary or specialized duty. The principle of rotating Superior Court Judges among the various districts of a division is a salutary one and shall be observed. For this purpose the General Assembly may divide the State into a number of judicial divisions. Subject to the general supervision of the Chief Justice of the Supreme Court, assignment of District Judges within each local court district shall be made by the Chief District Judge.

SEC. 12. *Jurisdiction of the General Court of Justice.*

(1) *Supreme Court.* The Supreme Court shall have jurisdiction to review upon appeal any decision of the courts below, upon any matter of law or legal inference. The jurisdiction of the Supreme Court over "issues of fact" and "questions of fact" shall be the same exercised by it prior to the adoption of this Article, and the Court may issue any remedial writs necessary to give it general supervision and control over the proceedings of the other courts.

(2) *Court of Appeals.* The Court of Appeals shall have such appellate jurisdiction as the General Assembly may prescribe.

(3) *Superior Court.* Except as otherwise provided by the General Assembly, the Superior Court shall have original general jurisdiction throughout the State. The Clerks of the Superior Court shall have such jurisdiction and powers as the General Assembly shall prescribe by general law uniformly applicable in every county of the State.

(4) *District Courts; Magistrates.* The General Assembly shall, by general law uniformly applicable in every local court district of the State, prescribe the jurisdiction and powers of the District Courts and Magistrates.

(5) *Waiver.* The General Assembly may by general law provide that the jurisdictional limits may be waived in civil cases.

(6) *Appeals.* The General Assembly shall by general law provide a proper system of appeals. Appeals from Magistrates shall be heard de novo, with the right of trial by jury as defined in this Constitution and the laws of this State.

SEC. 13. *Forms of action; rules of procedure.*

(1) *Forms of Action.* There shall be in this State but one form of action for the enforcement or protection of private rights or the redress of private wrongs, which shall be denominated a civil action, and in which there shall be a right to have issues of fact tried before a jury. Every action prosecuted by the people of the State as a party against a person charged with a public offense, for the punishment thereof, shall be termed a criminal action.



(2) *Rules of procedure.* The Supreme Court shall have exclusive authority to make rules of procedure and practice for the Appellate Division. The General Assembly may make rules of procedure and practice for the Superior Court and District Court Divisions, and the General Assembly may delegate this authority to the Supreme Court. No rule of procedure or practice shall abridge substantive rights or abrogate or limit the right of trial by jury. If the General Assembly should delegate to the Supreme Court the rule-making power, the General Assembly may, nevertheless, alter, amend, or repeal any rule of procedure or practice adopted by the Supreme Court for the Superior Court or District Court Divisions.

SEC. 14. *Waiver of jury trial.* In all issues of fact joined in any court, the parties in any civil case may waive the right to have the issues determined by a jury, in which case the finding of the judge upon the facts shall have the force and effect of a verdict by a jury.

SEC. 15. *Administration.* The General Assembly shall provide for an administrative office of the courts to carry out the provisions of this Article.

SEC. 16. *Terms of office and election of Justices of the Supreme Court, Judges of the Court of Appeals, and Judges of the Superior Court.* Justices of the Supreme Court, Judges of the Court of Appeals, and regular Judges of the Superior Court shall be elected by the qualified voters and shall hold office for terms of eight years and until their successors are elected and qualified. Justices of the Supreme Court and Judges of the Court of Appeals shall be elected by the qualified voters of the State. Regular Judges of the Superior Court may be elected by the qualified voters of the State or by the voters of their respective districts, as the General Assembly may prescribe.

SEC. 17. *Removal of Judges, Magistrates and Clerks.*

(1) *Removal of Judges by the General Assembly.* Any Justice or Judge of the General Court of Justice may be removed from office for mental or physical incapacity by joint resolution of two-thirds of all the members of each house of the General Assembly. Any Justice or Judge against whom the General Assembly may be about to proceed shall receive notice thereof, accompanied by a copy of the causes alleged for his removal, at least 20 days before the day on which either house of the General Assembly shall act thereon. Removal from office by the General Assembly for any other cause shall be by impeachment.

(2) *Additional method of removal of Judges.* The General Assembly shall prescribe a procedure, in addition to impeachment and address set forth in this Section, for the removal of a Justice or Judge of the General Court of Justice for mental or physical incapacity interfering with the performance of his duties which is, or is likely to become, permanent, and for the censure and removal of a Justice or Judge of the General Court of Justice for wilful misconduct in office, wilful and persistent failure to perform his duties, habitual intemperance, conviction of a crime involving moral turpitude, or conduct prejudicial to the administration of justice that brings the judicial office into disrepute.

(3) *Removal of Magistrates.* The General Assembly shall provide by general law for the removal of Magistrates for misconduct or mental or physical incapacity.

(4) *Removal of Clerks.* Any Clerk of the Superior Court may be removed from office for misconduct or mental or physical incapacity by the senior regular resident Superior Court Judge serving the county. Any Clerk against whom proceedings are instituted shall receive written notice of the charges against him at least ten days before the hearing upon the charges. Any Clerk so removed from office shall be entitled to an appeal as provided by law.

SEC. 18. *District Attorney and prosecutorial districts.*

(1) *District Attorneys.* The General Assembly shall, from time to time, divide the State into a convenient number of prosecutorial districts, for each of which a District Attorney shall be chosen for a term of four years by the qualified voters thereof, at the same time and places as members of the General Assembly are elected. The District Attorney shall advise the officers of justice in his district, be responsible for the prosecution on behalf of the State of all criminal actions in the Superior Courts of his district, perform such duties related to appeals therefrom as the Attorney General may require, and perform such other duties as the General Assembly may prescribe.

(2) *Prosecution in District Court Division.* Criminal actions in the District Court Division shall be prosecuted in such manner as the General Assembly may prescribe by general law uniformly applicable in every local court district of the State.

SEC. 19. *Vacancies.* Unless otherwise provided in this Article, all vacancies occurring in the offices provided for by this Article shall be filled by appointment of the Governor, and the appointees shall hold their places until the next election for members of the General Assembly that is held more than 30 days after the vacancy occurs, when elections shall be held to fill the offices. When the unexpired term of any of the offices named in this Article of the Constitution in which a vacancy has occurred, and in which it is herein provided that the Governor shall fill the vacancy, expires on the first day of January succeeding the next election for members of the General Assembly, the Governor shall appoint to fill that vacancy for the unexpired term of the office. If any person elected or appointed to any of these offices shall fail to qualify, the office shall be appointed to, held, and filled as provided in case of vacancies occurring therein. All incumbents of these offices shall hold until their successors are qualified.

SEC. 20. *Revenues and expenses of the judicial department.* The General Assembly shall provide for the establishment of a schedule of court fees and costs which shall be uniform throughout the State within each division of the General Court of Justice. The operating expenses of the judicial department, other than compensation to process servers and other locally paid non-judicial officers, shall be paid from State funds.

SEC. 21. *Fees, salaries, and emoluments.* The General Assembly shall prescribe and regulate the fees, salaries, and emoluments of all officers provided for in this Article, but the salaries of Judges shall not be diminished during their continuance in office. In no case shall the compensation of any Judge or Magistrate be dependent upon his decision or upon the collection of costs.

## ARTICLE V

### FINANCE

SECTION 1. *No capitation tax to be levied.* No poll or capitation tax shall be levied by the General Assembly or by any county, city or town, or other taxing unit.

#### SEC. 2. *State and local taxation.*

(1) *Power of taxation.* The power of taxation shall be exercised in a just and equitable manner, for public purposes only, and shall never be surrendered, suspended, or contracted away.

(2) *Classification.* Only the General Assembly shall have the power to classify property for taxation, which power shall be exercised only on a State-wide basis and shall not be delegated. No class of property shall be taxed except by uniform rule, and every classification shall be made by general law uniformly applicable in every county, city and town, and other unit of local government.

(3) *Exemptions.* Property belonging to the State, counties, and municipal corporations shall be exempt from taxation. The General Assembly may exempt cemeteries and property held for educational, scientific, literary, cultural, charitable, or religious purposes, and, to a value not exceeding \$300, any personal property. The General Assembly may exempt from taxation not exceeding \$1,000 in value of property held and used as the place of residence of the owner. Every exemption shall be on a State-wide basis and shall be made by general law uniformly applicable in every county, city and town, and other unit of local government. No taxing authority other than the General Assembly may grant exemptions, and the General Assembly shall not delegate the powers accorded to it by this subsection.

(4) *Special tax areas.* Subject to the limitations imposed by Section 4, the General Assembly may enact general laws authorizing the governing body of any county, city, or town to define territorial areas and to levy taxes within those areas, in addition to those levied throughout the county, city, or town, in order to finance, provide, or maintain services, facilities, and functions in addition to or to a greater extent than those financed, provided, or maintained for the entire county, city, or town.

(5) *Purposes of property tax.* The General Assembly shall not authorize any county, city or town, special district, or other unit of local government to levy taxes on property, except for purposes authorized by general law uniformly applicable throughout the State, unless the tax is approved by a majority of the qualified voters of the unit who vote thereon.

(6) *Income tax.* The rate of tax on incomes shall not in any case exceed ten per cent, and there shall be allowed personal exemptions and deductions so that only net incomes are taxed.

(7) *Contracts.* The General Assembly may enact laws whereby the State, any county, city or town, and any other public corporation may contract with and appropriate money to any person, association, or corporation for the accomplishment of public purposes only.

### SEC. 3. *Limitations upon the increase of State debt.*

(1) *Authorized purposes; two-thirds limitation.* The General Assembly shall have no power to contract debts secured by a pledge of the faith and credit of the State, unless approved by a majority of the qualified voters of the State who vote thereon, except for the following purposes:

- (a) to fund or refund a valid existing debt;
- (b) to supply an unforeseen deficiency in the revenue;
- (c) to borrow in anticipation of the collection of taxes due and payable within the current fiscal year to an amount not exceeding 50 per cent of such taxes;
- (d) to suppress riots or insurrections, or to repel invasions;
- (e) to meet emergencies immediately threatening the public health or safety, as conclusively determined in writing by the Governor;
- (f) for any other lawful purpose, to the extent of two-thirds of the amount by which the State's outstanding indebtedness shall have been reduced during the next preceding biennium.

(2) *Gift or loan of credit regulated.* The General Assembly shall have no power to give or lend the credit of the State in aid of any person, association, or corporation, except a corporation in which the State has a controlling interest, unless the subject is submitted to a direct vote of the people of the State, and is approved by a majority of the qualified voters who vote thereon.

(3) *Definitions.* A debt is incurred within the meaning of this Section when the State borrows money. A pledge of the faith and credit within the meaning of this Section is a pledge of the taxing power. A loan of credit within the meaning of this Section occurs when the State exchanges its obligations with or in any way guarantees the debts of an individual, association or private corporation.

(4) *Certain debts barred.* The General Assembly shall never assume or pay any debt or obligation, express or implied, incurred in aid of insurrection against the United States. Neither shall the General Assembly assume or pay any debt or bond incurred or issued by authority of the Convention of 1868, the special session of the General Assembly of 1868, or the General Assemblies of 1868-69 and 1869-70, unless the subject is submitted to the people of the State and is approved by a majority of all the qualified voters at a referendum held for that sole purpose.



(5) *Outstanding debt.* Except as provided in subsection (4), nothing in this Section shall be construed to invalidate or impair the obligation of any bond, note, or other evidence of indebtedness outstanding or authorized for issue as of July 1, 1973.

SEC. 4. *Limitations upon the increase of local government debt.*

(1) *Regulation of borrowing and debt.* The General Assembly shall enact general laws relating to the borrowing of money secured by a pledge of the faith and credit and the contracting of other debts by counties, cities and towns, special districts, and other units, authorities, and agencies of local government.

(2) *Authorized purposes; two-thirds limitation.* The General Assembly shall have no power to authorize any county, city or town, special district, or other unit of local government to contract debts secured by a pledge of its faith and credit unless approved by a majority of the qualified voters of the unit who vote thereon, except for the following purposes:

- (a) to fund or refund a valid existing debt;
- (b) to supply an unforeseen deficiency in the revenue;
- (c) to borrow in anticipation of the collection of taxes due and payable within the current fiscal year to an amount not exceeding 50 per cent of such taxes;
- (d) to suppress riots or insurrections;
- (e) to meet emergencies immediately threatening the public health or safety, as conclusively determined in writing by the Governor;
- (f) for purpose authorized by general laws uniformly applicable throughout the State, to the extent of two-thirds of the amount by which the unit's outstanding indebtedness shall have been reduced during the next preceding fiscal year.

(3) *Gift or loan of credit regulated.* No county, city or town, special district, or other unit of local government shall give or lend its credit in aid of any person, association, or corporation, except for public purposes as authorized by general law, and unless approved by a majority of the qualified voters of the unit who vote thereon.

(4) *Certain debts barred.* No county, city or town, or other unit of local government shall assume or pay any debt or the interest thereon contracted directly or indirectly in aid or support of rebellion or insurrection against the United States.

(5) *Definitions.* A debt is incurred within the meaning of this Section when a county, city or town, special district, or other unit, authority, or agency of local government borrows money. A pledge of faith and credit within the meaning of this Section is a pledge of the taxing power. A loan of credit within the meaning of this Section occurs when a county, city or town, special district, or other unit, authority, or agency of local government

exchanges its obligations with or in any way guarantees the debts of an individual, association, or private corporation.

(6) *Outstanding debt.* Except as provided in subsection (4), nothing in this Section shall be construed to invalidate or impair the obligation of any bond, note, or other evidence of indebtedness outstanding or authorized for issue as of July 1, 1973.

SEC. 5. *Acts levying taxes to state objects.* Every act of the General Assembly levying a tax shall state the special object to which it is to be applied, and it shall be applied to no other purpose.

SEC. 6. *Inviolability of sinking funds and retirement funds.*

(1) *Sinking funds.* The General Assembly shall not use or authorize to be used any part of the amount of any sinking fund for any purpose other than the retirement of the bonds for which the sinking fund has been created, except that these funds may be invested as authorized by law.

(2) *Retirement funds.* Neither the General Assembly nor any public officer, employee, or agency shall use or authorize to be used any part of the funds of the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System for any purpose other than retirement system benefits and purposes, administrative expenses, and refunds; except that retirement system funds may be invested as authorized by law, subject to the investment limitation that the funds of the Teachers' and State Employees' Retirement System and the local Governmental Employees' Retirement System shall not be applied, diverted, loaned to, or used by the State, any State agency, State officer, public officer, or public employee.

SEC. 7. *Drawing public money.*

(1) *State treasury.* No money shall be drawn from the State Treasury but in consequence of appropriations made by law, and an accurate account of the receipts and expenditures of State funds shall be published annually.

(2) *Local treasury.* No money shall be drawn from the treasury of any county, city or town, or other unit of local government except by authority of law.

SEC. 8. *Health care facilities.* Notwithstanding any other provisions of this Constitution, the General Assembly may enact general laws to authorize the State, counties, cities or towns, and other State and local governmental entities to issue revenue bonds to finance or refinance for any such governmental entity or any nonprofit private corporation, regardless of any church or religious relationship, the cost of acquiring, constructing, and financing health care facility projects to be operated to serve and benefit the public; provided, no cost incurred earlier than two years prior to the effective date of this section shall be refinanced. Such bonds shall be payable from the revenues, gross or net, of any such projects and any other health care facilities of any such governmental entity or nonprofit private corporation pledged therefor; shall not be secured by a pledge of the full faith and

credit, or deemed to create an indebtedness requiring voter approval of any governmental entity; and may be secured by an agreement which may provide for the conveyance of title of, with or without consideration, any such project or facilities to the governmental entity or nonprofit private corporation. The power of eminent domain shall not be used pursuant hereto for nonprofit private corporations.

SEC. 9. *Capital projects for industry.* Notwithstanding any other provision of this Constitution, the General Assembly may enact general laws to authorize counties to create authorities to issue revenue bonds to finance, but not to refinance, the cost of capital projects consisting of industrial, manufacturing and pollution control facilities for industry and pollution control facilities for public utilities, and to refund such bonds.

In no event shall such revenue bonds be secured by or payable from any public moneys whatsoever, but such revenue bonds shall be secured by and payable only from revenues or property derived from private parties. All such capital projects and all transactions therefor shall be subject to taxation to the extent such projects and transactions would be subject to taxation if no public body were involved therewith; provided, however, that the General Assembly may provide that the interest on such revenue bonds shall be exempt from income taxes within the State.

The power of eminent domain shall not be exercised to provide any property for any such capital project.

## ARTICLE VI

### SUFFRAGE AND ELIGIBILITY TO OFFICE

SECTION 1. *Who may vote.* Every person born in the United States and every person who has been naturalized, 18 years of age, and possessing the qualifications set out in this article, shall be entitled to vote at any election by the people of the State, except as herein otherwise provided.

#### SEC. 2. *Qualifications of voter.*

(1) *Residence period for State elections.* Any person who has resided in the State of North Carolina for one year and in the precinct, ward, or other election district for 30 days next preceding an election, and possesses the other qualifications set out in this Article, shall be entitled to vote at any election held in this State. Removal from one precinct, ward, or other election district to another in this State shall not operate to deprive any person of the right to vote in the precinct, ward, or other election district from which that person has removed until 30 days after the removal.

(2) *Residence period for presidential elections.* The General Assembly may reduce the time of residence for persons voting in presidential elections. A person made eligible by reason of a reduction in time of residence shall possess the other qualifications set out in this Article, shall only be entitled to vote for President and Vice President of the United States or for electors for President and Vice President, and shall not thereby become eligible to hold office in this State.

(3) *Disqualification of felon.* No person adjudged guilty of a felony against this State or the United States, or adjudged guilty of a felony in another state that also would be a felony if it had been committed in this State, shall be permitted to vote unless that person shall be first restored to the rights of citizenship in the manner prescribed by law.

SEC. 3. *Registration.* Every person offering to vote shall be at the time legally registered as a voter as herein prescribed and in the manner provided by law. The General Assembly shall enact general laws governing the registration of voters.

SEC. 4. *Qualification for registration.* Every person presenting himself for registration shall be able to read and write any section of the Constitution in the English language.

SEC. 5. *Elections by people and General Assembly.* All elections by the people shall be by ballot, and all elections by the General Assembly shall be viva voce. A contested election for any office established by Article III of this Constitution shall be determined by joint ballot of both houses of the General Assembly in the manner prescribed by law.

SEC. 6. *Eligibility to elective office.* Every qualified voter in North Carolina who is 21 years of age, except as in this Constitution disqualified, shall be eligible for election by the people to office.

SEC. 7. *Oath.* Before entering upon the duties of an office, a person elected or appointed to the office shall take and subscribe the following oath:

"I, ....., do solemnly swear (or affirm) that I will support and maintain the Constitution and laws of the United States, and the Constitution and laws of North Carolina not inconsistent therewith, and that I will faithfully discharge the duties of my office as....., so help me God."

SEC. 8. *Disqualifications for office.* The following persons shall be disqualified for office:

First, any person who shall deny the being of Almighty God.

Second, with respect to any office that is filled by election by the people, any person who is not qualified to vote in an election for that office.

Third, any person who has been adjudged guilty of treason or any other felony against this State or the United States, or any person who has been adjudged guilty of a felony in another state that also would be a felony if it had been committed in this State, or any person who has been adjudged guilty of corruption or malpractice in any office, or any person who has been removed by impeachment from any office, and who has not been restored to the rights of citizenship in the manner prescribed by law.

SEC. 9. *Dual office holding.*

(1) *Prohibitions.* It is salutary that the responsibilities of self-government be widely shared among the citizens of the State and that the potential abuse of authority inherent in the holding of multiple offices by an indi-



vidual be avoided. Therefore, no person who holds any office or place of trust or profit under the United States or any department thereof, or under any other state or government, shall be eligible to hold any office in this State that is filled by election by the people. No person shall hold concurrently any two offices in this State that are filled by election of the people. No person shall hold concurrently any two or more appointive offices or places of trust or profit, or any combination of elective and appointive offices or places of trust or profit, except as the General Assembly shall provide by general law.

(2) *Exceptions.* The provisions of this Section shall not prohibit any officer of the military forces of the State or of the United States not on active duty for an extensive period of time, any notary public, or any delegate to a Convention of the People from holding concurrently another office or place of trust or profit under this State or the United States or any department thereof.

SEC. 10. *Continuation in office.* In the absence of any contrary provision, all officers in this State, whether appointed or elected, shall hold their positions until other appointments are made or, if the offices are elective, until their successors are chosen and qualified.

## ARTICLE VII

### LOCAL GOVERNMENT

SECTION 1. *General Assembly to provide for local government.* The General Assembly shall provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable.

The General Assembly shall not incorporate as a city or town, nor shall it authorize to be incorporated as a city or town, any territory lying within one mile of the corporate limits of any other city or town having a population of 5,000 or more according to the most recent decennial census of population taken by order of Congress, or lying within three miles of the corporate limits of any other city or town having a population of 10,000 or more according to the most recent decennial census of population taken by order of Congress, or lying within four miles of the corporate limits of any other city or town having a population of 25,000 or more according to the most recent decennial census of population taken by order of Congress, or lying within five miles of the corporate limits of any other city or town having a population of 50,000 or more according to the most recent decennial census of population taken by order of Congress. Notwithstanding the foregoing limitations, the General Assembly may incorporate a city or town by an act adopted by vote of three-fifths of all the members of each house.

SEC. 2. *Sheriffs.* In each county a Sheriff shall be elected by the qualified voters thereof at the same time and places as members of the General Assembly are elected and shall hold his office for a period of four years, subject to removal for cause as provided by law.

SEC. 3. *Merged or consolidated counties.* Any unit of local government formed by the merger or consolidation of a county or counties and the cities and towns therein shall be deemed both a county and a city for the purposes of this Constitution, and may exercise any authority conferred by law on counties, or on cities and towns, or both, as the General Assembly may provide.

## ARTICLE VIII

### CORPORATIONS

SECTION 1. *Corporate charters.* No corporation shall be created, nor shall its charter be extended, altered, or amended by special act, except corporations for charitable, educational, penal, or reformatory purposes that are to be and remain under the patronage and control of the State; but the General Assembly shall provide by general laws for the chartering, organization, and powers of all corporations, and for the amending, extending, and forfeiture of all charters, except those above permitted by special act. All such general acts may be altered from time to time or repealed. The General Assembly may at any time by special act repeal the charter of any corporation.

SEC. 2. *Corporations defined.* The term "corporation" as used in this Section shall be construed to include all associations and joint-stock companies having any of the powers and privileges of corporations not possessed by individuals or partnerships. All corporations shall have the right to sue and shall be subject to be sued in all courts, in like cases as natural persons.

## ARTICLE IX

### EDUCATION

SECTION 1. *Education encouraged.* Religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools, libraries, and the means of education shall forever be encouraged.

SEC. 2. *Uniform system of schools.*

(1) *General and uniform system; term.* The General Assembly shall provide by taxation and otherwise for a general and uniform system of free public schools, which shall be maintained at least nine months in every year, and wherein equal opportunities shall be provided for all students.

(2) *Local responsibility.* The General Assembly may assign to units of local government such responsibility for the financial support of the free public schools as it may deem appropriate. The governing boards of units of local government with financial responsibility for public education may use local revenues to add to or supplement any public school or post-secondary school program.

SEC. 3. *School attendance.* The General Assembly shall provide that every child of appropriate age and of sufficient mental and physical ability shall attend the public schools, unless educated by other means.

SEC. 4. *State Board of Education.*

(1) *Board.* The State Board of Education shall consist of the Lieutenant Governor, the Treasurer, and eleven members appointed by the Governor, subject to confirmation by the General Assembly in joint session. The General Assembly shall divide the State into eight educational districts. Of the appointive members of the Board, one shall be appointed from each of the eight educational districts and three shall be appointed from the State at large. Appointments shall be for overlapping terms of eight years. Appointments to fill vacancies shall be made by the Governor for the unexpired terms and shall not be subject to confirmation.

(2) *Superintendent of Public Instruction.* The Superintendent of Public Instruction shall be the secretary and chief administrative officer of the State Board of Education.

SEC. 5. *Powers and duties of Board.* The State Board of Education shall supervise and administer the free public school system and the educational funds provided for its support, except the funds mentioned in Section 7 of this Article, and shall make all needed rules and regulations in relation thereto, subject to laws enacted by the General Assembly.

SEC. 6. *State school fund.* The proceeds of all lands that have been or hereafter may be granted by the United States to this State, and not otherwise appropriated by this State or the United States; all moneys, stocks, bonds, and other property belonging to the State for purposes of public education; the net proceeds of all sales of the swamp lands belonging to the State; and all other grants, gifts, and devises that have been or hereafter may be made to the State, and not otherwise appropriated by the State or by the terms of the grant, gift, or devise, shall be paid into the State Treasury and, together with so much of the revenue of the State as may be set apart for that purpose, shall be faithfully appropriated and used exclusively for establishing and maintaining a uniform system of free public schools.

SEC. 7. *County school fund.* All moneys, stocks, bonds, and other property belonging to a county school fund, and the clear proceeds of all penalties and forfeitures and of all fines collected in the several counties for any breach of the penal laws of the State, shall belong to and remain in the several counties, and shall be faithfully appropriated and used exclusively for maintaining free public schools.

SEC. 8. *Higher education.* The General Assembly shall maintain a public system of higher education, comprising The University of North Carolina and such other institutions of higher education as the General Assembly may deem wise. The General Assembly shall provide for the selection of trustees of The University of North Carolina and of the other institutions of higher education, in whom shall be vested all the privileges, rights, franchises, and endowments heretofore granted to or conferred upon the trustees of these institutions. The General Assembly may enact laws necessary and expedient for the maintenance and management of The University of North Carolina and the other public institutions of higher education.

SEC. 9. *Benefits of public institutions of higher education.* The General Assembly shall provide that the benefits of The University of North Carolina and other public institutions of higher education, as far as practicable, be extended to the people of the State free of expense.

SEC. 10. *Escheats.*

(1) *Escheats prior to July 1, 1971.* All property that prior to July 1, 1971, accrued to the State from escheats, unclaimed dividends, or distributive shares of the estates of deceased persons shall be appropriated to the use of The University of North Carolina.

(2) *Escheats after June 30, 1971.* All property that, after June 30, 1971, shall accrue to the State from escheats, unclaimed dividends, or distributive shares of the estates of deceased persons shall be used to aid worthy and needy students who are residents of this State and are enrolled in public institutions of higher education in this State. The method, amount, and type of distribution shall be prescribed by law.

## ARTICLE X

### HOMESTEADS AND EXEMPTIONS

SECTION 1. *Personal property exemptions.* The personal property of any resident of this State, to a value fixed by the General Assembly but not less than \$500, to be selected by the resident, is exempted from sale under execution or other final process of any court, issued for the collection of any debt.

SEC. 2. *Homestead exemptions.*

(1) *Exemption from sale; exceptions.* Every homestead and the dwellings and buildings used therewith, to a value fixed by the General Assembly but not less than \$1,000, to be selected by the owner thereof, or in lieu thereof, at the option of the owner, any lot in a city or town with the dwellings and buildings used thereon, and to the same value, owned and occupied by a resident of the State, shall be exempt from sale under execution or other final process obtained on any debt. But no property shall be exempt from sale for taxes, or for payment of obligations contracted for its purchase.

(2) *Exemption for benefit of children.* The homestead, after the death of the owner thereof, shall be exempt from the payment of any debt during the minority of the owner's children, or any of them.

(3) *Exemption for benefit of widow.* If the owner of a homestead dies, leaving a widow but no children, the homestead shall be exempt from the debts of her husband, and the rents and profits thereof shall inure to her benefit during her widowhood, unless she is the owner of a homestead in her own right.

(4) *Conveyance of homestead.* Nothing contained in this Article shall operate to prevent the owner of a homestead from disposing of it by deed, but no deed made by the owner of a homestead shall be valid without the signature and acknowledgement of his wife.



SEC. 3. *Mechanics' and laborers' liens.* The General Assembly shall provide by proper legislation for giving to mechanics and laborers an adequate lien on the subject-matter of their labor. The provisions of Sections 1 and 2 of this Article shall not be so construed as to prevent a laborer's lien for work done and performed for the person claiming the exemption or a mechanic's lien for work done on the premises.

SEC. 4. *Property of married women secured to them.* The real and personal property of any female in this State acquired before marriage, and all property, real and personal, to which she may, after marriage, become in any manner entitled, shall be and remain the sole and separate estate and property of such female, and shall not be liable for any debts, obligations, or engagements of her husband, and may be devised and bequeathed and conveyed by her, subject to such regulations and limitations as the General Assembly may prescribe. Every married woman may exercise powers of attorney conferred upon her by her husband, including the power to execute and acknowledge deeds to property owned by herself and her husband or by her husband.

SEC. 5. *Insurance.* The husband may insure his own life for the sole use and benefit of his wife or children or both, and upon his death the proceeds from the insurance shall be paid to or for the benefit of the wife or children or both, or to a guardian, free from all claims of the representatives or creditors of the insured or his estate. Any insurance policy which insures the life of a husband for the sole use and benefit of his wife or children or both shall not be subject to the claims of creditors of the insured during his lifetime, whether or not the policy reserves to the insured during his lifetime any or all rights provided for by the policy and whether or not the policy proceeds are payable to the estate of the insured in the event the beneficiary or beneficiaries predecease the insured.

## ARTICLE XI

### PUNISHMENTS, CORRECTIONS, AND CHARITIES

SECTION 1. *Punishments.* The following punishments only shall be known to the laws of this State: death, imprisonment, fines, removal from office, and disqualification to hold and enjoy any office of honor, trust, or profit under this State.

SEC. 2. *Death punishment.* The object of punishments being not only to satisfy justice, but also to reform the offender and thus prevent crime, murder, arson, burglary, and rape, and these only, may be punishable with death, if the General Assembly shall so enact.

SEC. 3. *Charitable and correctional institutions and agencies.* Such charitable, benevolent, penal, and correctional institutions and agencies as the needs of humanity and the public good may require shall be established and operated by the State under such organization and in such manner as the General Assembly may prescribe.

SEC. 4. *Welfare policy; board of public welfare.* Beneficent provision for the poor, the unfortunate, and the orphan is one of the first duties of a

civilized and a Christian state. Therefore the General Assembly shall provide for and define the duties of a board of public welfare.

## ARTICLE XII

### MILITARY FORCES

SECTION 1. *Governor is Commander in Chief.* The Governor shall be Commander in Chief of the military forces of the State and may call out those forces to execute the law, suppress riots and insurrections, and repel invasion.

## ARTICLE XIII

### CONVENTIONS; CONSTITUTIONAL AMENDMENT AND REVISION

SECTION 1. *Convention of the People.* No Convention of the People of this State shall ever be called unless by the concurrence of two-thirds of all the members of each house of the General Assembly, and unless the proposition "Convention or No Convention" is first submitted to the qualified voters of the State at the time and in the manner prescribed by the General Assembly. If a majority of the votes cast upon the proposition are in favor of a Convention, it shall assemble on the day prescribed by the General Assembly. The General Assembly shall, in the act submitting the convention proposition, propose limitations upon the authority of the Convention; and if a majority of the votes cast upon the proposition are in favor of a Convention, those limitations shall become binding upon the Convention. Delegates to the Convention shall be elected by the qualified voters at the time and in the manner prescribed in the act of submission. The Convention shall consist of a number of delegates equal to the membership of the House of Representatives of the General Assembly that submits the convention proposition and the delegates shall be apportioned as is the House of Representatives. A Convention shall adopt no ordinance not necessary to the purpose for which the Convention has been called.

SEC. 2. *Power to revise or amend Constitution reserved to people.* The people of this State reserve the power to amend this Constitution and to adopt a new or revised Constitution. This power may be exercised by either of the methods set out hereinafter in this Article, but in no other way.

SEC. 3. *Revision or amendment by Convention of the People.* A Convention of the People of this State may be called pursuant to Section 1 of this Article to propose a new or revised Constitution or to propose amendments to this Constitution. Every new or revised Constitution and every constitutional amendment adopted by a Convention shall be submitted to the qualified voters of the State at the time and in the manner prescribed by the Convention. If a majority of the votes cast thereon are in favor of ratification of the new or revised Constitution or the constitutional amendment or amendments, it or they shall become effective January first next after ratification by the qualified voters unless a different effective date is prescribed by the Convention.

SEC. 4. *Revision or amendment by legislative initiation.* A proposal of a new or revised Constitution or an amendment or amendments to this Constitution may be initiated by the General Assembly, but only if three-fifths of all the members of each house shall adopt an act submitting the proposal to the qualified voters of the State for their ratification or rejection. The proposal shall be submitted at the time and in the manner prescribed by the General Assembly. If a majority of the votes cast thereon are in favor of the proposed new or revised Constitution or constitutional amendment or amendments, it or they shall become effective January first next after ratification by the voters unless a different effective date is prescribed in the act submitting the proposal or proposals to the qualified voters.

## ARTICLE XIV

### MISCELLANEOUS

SECTION 1. *Seat of government.* The permanent seat of government of this State shall be at the City of Raleigh.

SEC. 2. *State boundaries.* The limits and boundaries of the State shall be and remain as they now are.

SEC. 3. *General laws defined.* Whenever the General Assembly is directed or authorized by this Constitution to enact general laws, or general laws uniformly applicable throughout the State, or general laws uniformly applicable in every county, city and town, and other unit of local government, or in every local court district, no special or local act shall be enacted concerning the subject matter directed or authorized to be accomplished by general or uniformly applicable laws, and every amendment or repeal of any law relating to such subject matter shall also be general and uniform in its effect throughout the State. General laws may be enacted for classes defined by population or other criteria. General laws uniformly applicable throughout the State shall be made applicable without classification or exception in every unit of local government of like kind, such as every county, or every city and town, but need not be made applicable in every unit of local government in the State. General laws uniformly applicable in every county, city and town, and other unit of local government, or in every local court district, shall be made applicable without classification or exception in every unit of local government, or in every local court district, as the case may be. The General Assembly may at any time repeal any special, local, or private act.

SEC. 4. *Continuity of laws; protection of office holders.* The laws of North Carolina not in conflict with this Constitution shall continue in force until lawfully altered. Except as otherwise specifically provided, the adoption of this Constitution shall not have the effect of vacating any office or term of office now filled or held by virtue of any election or appointment made under the prior Constitution of North Carolina and the laws of the State enacted pursuant thereto.

SEC. 5. *Conservation of natural resources.* It shall be the policy of this State to conserve and protect its lands and waters for the benefit of all its

citizenry, and to this end it shall be a proper function of the State of North Carolina and its political subdivisions to acquire and preserve park, recreational, and scenic areas, to control and limit the pollution of our air and water, to control excessive noise, and in every other appropriate way to preserve as a part of the common heritage of this State its forests, wetlands, estuaries, beaches, historical sites, openlands, and places of beauty.

To accomplish the aforementioned public purposes, the State and its counties, cities and towns, and other units of local government may acquire by purchase or gift properties or interests in properties which shall, upon their special dedication to and acceptance by resolution adopted by a vote of three-fifths of the members of each house of the General Assembly for those public purposes, constitute part of the "State Nature and Historic Preserve", and which shall not be used for other purposes except as authorized by the law enacted by a vote of three-fifths of the members of each house of the General Assembly. The General Assembly shall prescribe by general law the conditions and procedures under which such properties or interests therein shall be dedicated for the aforementioned public purposes.

SESSION LAWS  
OF THE  
STATE OF NORTH CAROLINA

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1975 GENERAL ASSEMBLY  
SECOND SESSION 1976

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H. B. 1292                      CHAPTER 976

AN ACT TO AUTHORIZE THE BOARD OF GOVERNORS OF THE  
UNIVERSITY OF NORTH CAROLINA TO SECURE LIABILITY  
INSURANCE OR TO ACT AS A SELF-INSURER FOR HEALTH-CARE  
PROVIDERS.

*The General Assembly of North Carolina enacts:*

**Section 1.** General Statutes Chapter 116 is amended by adding a new Article 26 to read as follows:

“ARTICLE 26.

“LIABILITY INSURANCE OR SELF-INSURANCE.

“§ 116-214. *Authorization to secure insurance or provide self-insurance.*—The Board of Governors of The University of North Carolina (hereinafter referred to as ‘the Board’) is authorized through the purchase of contracts of insurance or the creation of self-insurance trusts, or through combination of such insurance and self-insurance, to provide individual health-care practitioners with coverage against claims of personal tort liability based on conduct within the course and scope of health-care functions undertaken by such individuals as employees, agents, or officers of (1) The University of North Carolina, (2) any constituent institution of The University of North Carolina, (3) North Carolina Memorial Hospital, or (4) any health-care institution, agency or entity which has an affiliation agreement with The University of North Carolina, with a constituent institution of The University of North Carolina, or with North Carolina Memorial Hospital. The types of health-care practitioners to which the provisions of this Article may apply include, but are not limited to, medical doctors, dentists, nurses, residents, interns, medical technologists, nurses’ aides, and orderlies. Subject to all requirements and limitations of this Article, the coverage to be provided, through insurance or self-insurance or combination thereof, may include provision for the payment of expenses of litigation, the payment of civil judgments in courts of competent



jurisdiction, and the payment of settlement amounts, in actions, suits or claims to which this Article applies.

“§ 116-215. *Establishment of self-insurance trust funds; rules and regulations.*—(a) In the event the Board elects to act as self-insurer of a program of liability insurance, it may establish one or more insurance trust accounts to be used only for the purposes authorized by this Article: Provided, however, said program of liability insurance shall not be subject to regulation by the Commissioner of Insurance. The Board is authorized to receive and accept any gift, donation, appropriation or transfer of funds made for the purposes of this section and to deposit such funds in the insurance trust accounts. All expenses incurred in collecting, receiving, and maintaining such funds and in otherwise administering the self-insured program of liability insurance shall be paid from such insurance trust accounts.

(b) Subject to all requirements and limitations of this Article, the Board is authorized to adopt rules and regulations for the establishment and administration of the self-insured program of liability insurance, including, but not limited to, rules and regulations concerning the eligibility for and terms and conditions of participation in the program, the assessment of charges against participants, the management of the insurance trust accounts, and the negotiation, settlement, litigation, and payment of claims.

(c) The Board is authorized to create a Liability Insurance Trust Fund Council composed of not more than 12 members; one member each shall be appointed by the State Attorney General, the State Auditor, the State Insurance Commissioner, and the State Treasurer; the remaining members shall be appointed by the Board. Subject to all requirements and limitations of this Article and to any rules and regulations adopted by the Board under the terms of subsection (b) of this section, the Board may delegate to the Liability Insurance Trust Fund Council responsibility and authority for the administration of the self-insured liability insurance program and of the insurance trust accounts established pursuant to such program.

(d) Defense of all suits or actions against an individual health-care practitioner who is covered by a self-insured program of liability insurance established by the Board under the provisions of this Article may be provided by the Attorney General in accordance with the provisions of Section 143-300.3 of Article 31A of Chapter 143; provided, that in the event it should be determined pursuant to G.S. 143-300.4 that defense of such a claim should not be provided by the State, or if it should be determined pursuant to G.S. 143-300.5 and G.S. 147-17 that counsel other than the Attorney General should be employed, or if the individual health-care practitioner is not an employee of the State as defined in G.S. 143-300.2, then private legal counsel may be employed by the Liability Insurance Trust Fund Council and paid for from funds in the insurance trust accounts.

(e) For purposes of the requirements of G.S. 143-300.6, the coverage provided State employees by any self-insured program of liability insurance established by the Board pursuant to the provisions of this Article shall be deemed to be commercial liability insurance coverage within the meaning of G.S. 143-300.6(c).

(f) By rules or regulations adopted by the Board in accordance with Section 116-215(b) of this Article, the Board may provide that funds maintained in insurance trust accounts under such a self-insured program of liability insurance



may be used to pay any expenses, including damages ordered to be paid, which may be incurred by The University of North Carolina, a constituent institution of The University of North Carolina, or North Carolina Memorial Hospital with respect to any tort claim, based on alleged negligent acts in the provision of health-care services, which may be prosecuted under the provisions of Article 31 of Chapter 143 of the General Statutes.

“§ 116-216. *Sovereign immunity.*—Nothing in this Article shall be deemed to waive the sovereign immunity of the State.

“§ 116-217. *Confidentiality of records.*—Records held by the Fund, including all information, correspondence, investigations, or interviews, concerning or pertaining to claims or potential claims against participants in the self-insurance program or to the program or applications for participation in the program shall not be considered public records under General Statutes Chapter 132 and shall not be subject to discovery under the Rules of Civil Procedure, General Statutes Chapter 1A.”

**Sec. 2.** This act shall become effective on July 1, 1976.

In the General Assembly read three times and ratified, this the 10th day of May, 1976.

## H. B. 1293

## CHAPTER 977

AN ACT TO REVISE AND PROVIDE FOR PROCEDURAL AND SUBSTANTIVE LAWS GOVERNING CLAIMS FOR PROFESSIONAL MALPRACTICE: TO REVISE THE STATUTE OF LIMITATIONS FOR ADULTS AND MINORS; TO PROVIDE FOR A STANDARD OF CARE, A DOCTRINE OF INFORMED CONSENT, AN EXTENSION OF THE GOOD SAMARITAN LAW, AND THE ELIMINATION OF THE AD DAMNUM CLAUSE.

*The General Assembly of North Carolina enacts:*

**Section 1.** G.S. 1-15(b), as the same appears in the 1975 Cumulative Supplement to Volume 1A of the General Statutes, is amended by deleting the comma “(,)” following the word “death” in the second line and substituting the following:

“or one for malpractice arising out of the performance of or failure to perform professional services.”

**Sec. 2.** G.S. 1-15, as the same appears in the 1975 Cumulative Supplement to Volume 1A of the General Statutes, is amended by adding a new subsection (c) to read as follows:

“(c) Except where otherwise provided by statute, a cause of action for malpractice arising out of the performance of or failure to perform professional services shall be deemed to accrue at the time of the occurrence of the last act of the defendant giving rise to the cause of action: Provided that whenever there is bodily injury to the person, economic or monetary loss, or a defect in or damage to property which originates under circumstances making the injury, loss, defect or damage not readily apparent to the claimant at the time of its origin, and the injury, loss, defect or damage is discovered or should reasonably be discovered by the claimant two or more years after the occurrence of the last act of the defendant giving rise to the cause of action, suit must be commenced within one year from the date discovery is made: Provided nothing herein shall be construed to reduce the statute of limitation in any such case below three years.

Provided further, that in no event shall an action be commenced more than four years from the last act of the defendant giving rise to the cause of action: Provided further, that where damages are sought by reason of a foreign object, which has no therapeutic or diagnostic purpose or effect, having been left in the body, a person seeking damages for malpractice may commence an action therefor within one year after discovery thereof as hereinabove provided, but in no event may the action be commenced more than 10 years from the last act of the defendant giving rise to the cause of action."

**Sec. 3.** G.S. 1-17, as the same appears in the 1975 Cumulative Supplement to Volume 1A of the General Statutes, is amended by designating present G.S. 1-17 as subsection (a) and by adding a new subsection (b) to read as follows:

"(b) Notwithstanding the provisions of subsection (a) of this section, an action on behalf of a minor for malpractice arising out of the performance of or failure to perform professional services shall be commenced within the limitations of time specified in G.S. 1-15(c): Provided, that if said time limitations expire before such minor attains the full age of 19 years, the action may be brought before said minor attains the full age of 19 years."

**Sec. 4.** Chapter 8 of the General Statutes is amended by adding a new Article to read as follows:

#### "ARTICLE 13.

##### "Medical Malpractice Actions.

"§ 8-92. *Definition.*—As used in this Article, the term 'health care provider' means without limitation any person who pursuant to the provisions of Chapter 90 of the General Statutes is licensed, or is otherwise registered or certified to engage in the practice of or otherwise performs duties associated with any of the following: medicine, surgery, dentistry, pharmacy, optometry, midwifery, osteopathy, podiatry, chiropractic, radiology, nursing, physiotherapy, pathology, anesthesiology, anesthesia, laboratory analysis, rendering assistance to a physician, dental hygiene, psychiatry, psychology; or a hospital as defined by G.S. 131-126.1(3); or a nursing home as defined by G.S. 130-9(e)(2); or any other person who is legally responsible for the negligence of such person, hospital or nursing home; or any other person acting at the direction or under the supervision of any of the foregoing persons, hospital, or nursing home.

"§ 8-93. *Standard of health care.*—In any action for damages for personal injury or death arising out of the furnishing or the failure to furnish professional services in the performance of medical, dental, or other health care, the defendant shall not be liable for the payment of damages unless the trier of the facts is satisfied by the greater weight of the evidence that the care of such health care provider was not in accordance with the standards of practice among members of the same health care profession with similar training and experience situated in the same or similar communities at the time of the alleged act giving rise to the cause of action.

"§ 8-94. *Informed consent to health care treatment or procedure.*—(a) No recovery shall be allowed against any health care provider upon the grounds that the health care treatment was rendered without the informed consent of the patient or the patient's spouse, parent, guardian, nearest relative or other person authorized to give consent for the patient where:

- (1) The action of the health care provider in obtaining the consent of the patient or other person authorized to give consent for the patient was in

accordance with the standards of practice among members of the same health care profession with similar training and experience situated in the same or similar communities; and

- (2) A reasonable person, from the information provided by the health care provider under the circumstances, would have a general understanding of the procedures or treatments and of the usual and most frequent risks and hazards inherent in the proposed procedures or treatments which are recognized and followed by other health care providers engaged in the same field of practice in the same or similar communities; or
- (3) A reasonable person, under all the surrounding circumstances, would have undergone such treatment or procedure had he been advised by the health care provider in accordance with the provisions of subdivisions (1) and (2) of this subsection.

(b) A consent which is evidenced in writing and which meets the foregoing standards, and which is signed by the patient or other authorized person, shall be presumed to be a valid consent. This presumption, however, may be subject to rebuttal only upon proof that such consent was obtained by fraud, deception or misrepresentation of a material fact.

(c) A valid consent is one which is given by a person who under all the surrounding circumstances is mentally and physically competent to give consent.

(d) No action may be maintained against any health care provider upon any guarantee, warranty or assurance as to the result of any medical, surgical or diagnostic procedure or treatment unless the guarantee, warranty or assurance, or some note or memorandum thereof, shall be in writing and signed by the provider or by some other person authorized to act for or on behalf of such provider.

(e) In the event of any conflict between the provisions of this section and those of Article 7 of General Statutes Chapter 35 and Articles 1A and 19 of the General Statutes Chapter 90, the provisions of those Articles shall control and continue in full force and effect.

“§ 8-95. *First aid or emergency treatment; liability limitation.*—(a) Any person who renders first aid or emergency health care treatment to a person who is unconscious, ill or injured,

- (1) when the reasonably apparent circumstances require prompt decisions and actions in medical or other health care, and
- (2) when the necessity of immediate health care treatment is so reasonably apparent that any delay in the rendering of the treatment would seriously worsen the physical condition or endanger the life of the person,

shall not be liable for damages for injuries alleged to have been sustained by the person or for damages for the death of the person alleged to have occurred by reason of an act or omission in the rendering of the treatment unless it is established that the injuries were or the death was caused by gross negligence, wanton conduct or intentional wrongdoing on the part of the person rendering the treatment.

(b) Nothing in this section shall be deemed or construed to relieve any person from liability for damages for injury or death caused by an act or omission on the part of such person while rendering health care services in the normal and ordinary course of his business or profession.

(c) In the event of any conflict between the provisions of this section and those of G.S. 20-166(d), the provisions of G.S. 20-166(d) shall control and continue in full force and effect.”

**Sec. 5.** G.S. 1A-1, Rule 8(a)(2), as the same appears in the 1969 Replacement Volume 1A of the General Statutes, is amended by adding thereto the following:

“Provided, however, in all professional malpractice actions, including actions against health care providers, wherein the matter in controversy exceeds the sum or value of ten thousand dollars (\$10,000), the pleading shall not state the demand for monetary relief, but shall state that the relief demanded is for damages incurred or to be incurred in excess of ten thousand dollars (\$10,000): Provided that at any time after service of claim for relief, any party may make request of claimant for written statement of the amount of monetary relief sought, and claimant shall, within 10 days after service of such request, serve said statement upon the requesting party, provided that said statement shall not be filed with the court until the action has been called for trial or until entry of default is requested.” Provided, any statement of “the amount of monetary relief sought” which is served on an opposing party may be amended in the manner and at the time provided by G.S. 1A-1, Rule 15.

**Sec. 6.** Article 2 of General Statutes Chapter 58 is amended by adding a new Section 58-21.1 to read as follows:

“§ 58-21.1. *Annual statements by professional liability insurers.*—(a) Every insurance company authorized to write professional liability insurance in the State shall file in the office of the Commissioner of Insurance, on or before the first day of February in each year, in form and detail as the Commissioner of Insurance prescribes, a statement showing the items set forth hereinafter, as of the preceding thirty-first day of December, signed and sworn to by the chief managing agent or officer thereof, before the Commissioner of Insurance or some officer authorized by law to administer oaths. The Commissioner of Insurance shall, in December of each year, furnish to each of the insurance companies authorized to write professional liability insurance in the State forms for the annual statements: Provided that the Commissioner may, for good and sufficient cause shown by an applicant company, extend the filing date of such annual statement for such company, for a reasonable period of time, not to exceed 30 days.

**PROFESSIONAL LIABILITY INSURERS: ANNUAL STATEMENT**

- (1) Number of claims pending at beginning of year;
- (2) Number of claims pending at end of year;
- (3) Number of claims settled paid:
  - (a) Highest award
  - (b) Lowest award
  - (c) Average award;
- (4) Number of claims closed no payment;
- (5) Number of claims to court in which award paid;
- (6) Number of claims out of court in which award paid;
- (7) Average amount per claim set up in reserve;
- (8) Total premium collection;
- (9) Total expenses less reserve expenses; and
- (10) Total reserve expenses.



(b) The information contained within the reports as required by this section is to be used for internal statistical purposes only. Therefore, such information shall be privileged and not be disseminated to the general public however the statistics obtained therefrom should be available to the public.”

**Sec. 7.** If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or application which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

**Sec. 8.** This act shall not apply to pending litigation.

**Sec. 9.** Sections 1, 2 and 3 of this act shall become effective on January 1, 1977, and shall apply to actions filed on or after that date.

**Sec. 10.** The remainder of this act shall become effective on July 1, 1976.

In the General Assembly read three times and ratified, this the 12th day of May, 1976.

## S. B. 959

## CHAPTER 978

### AN ACT TO CREATE THE NORTH CAROLINA HEALTH CARE EXCESS LIABILITY FUND.

*The General Assembly of North Carolina enacts:*

**Section 1.** The General Assembly finds that the cost of professional liability insurance has risen to levels which many health care providers find intolerable; and that the cost of one million dollars excess coverage is approximately twice this inflated cost of primary coverage of one hundred-three hundred thousand dollars; and that health care providers in North Carolina are unable to obtain excess liability insurance above one million dollars; that said excess coverage has been made unavailable in the past by the withdrawal of the major health care liability insurer from the State, and there is no assurance that said excess coverage will continue to remain available; and that the ever increasing costs of health care, the inflationary economic trends in North Carolina and the nation, the acceleration of the frequency of claims against North Carolina's health care providers, and the increased risks commensurate with advanced health care treatments and procedures are mandating the necessity of the availability of liability insurance in excess of limits presently obtainable.

**Sec. 2.** The General Assembly further finds that the inability of health care providers to obtain such insurance at reasonable rates is endangering the health of the people of this State, and threatens the curtailment of health care. The General Assembly finds and declares that the uninterrupted delivery of health care services is essential to the health and welfare of the citizens of North Carolina. The General Assembly further finds and declares that it is essential to the health and welfare of the citizens of North Carolina that all health care providers have excess health care liability insurance. It is declared to be the policy and intent of the General Assembly that a health care provider who participates in the plan set forth in this Act, maintains the designated amounts of professional liability protection, and contributes to the Fund for the protection of his patients shall be deemed to have fulfilled the objectives of this public policy.

**Sec. 3.** Chapter 58 of the General Statutes is amended by adding a new Article 26B to read as follows:

**“ARTICLE 26B.**

**“North Carolina Health Care Excess Liability Fund.**

“§ 58-254.20. *Definitions.*—The following terms as used in this Article shall have the meanings hereinafter respectively ascribed to them:

(1) ‘Board’ means the Board of Governors of the North Carolina Health Care Excess Liability Fund provided for in G.S. 58-254.23.

(2) ‘Commissioner’ means the Commissioner of Insurance of the State of North Carolina.

(3) ‘Fund’ means the North Carolina Health Care Excess Liability Fund provided for in G.S. 58-254.21.

(4) ‘Health Care Provider’ means any person who pursuant to the provisions of Chapter 90 of the General Statutes is licensed, or is otherwise registered or certified to engage in the practice of, or otherwise performs duties associated with any of the following: medicine, surgery, dentistry, pharmacy, optometry, midwifery, osteopathy, podiatry, chiropractic, radiology, nursing, physiotherapy, pathology, anesthesiology, anesthesia, laboratory analysis, rendering assistance to a physician, dental hygiene, psychiatry, psychology; or a hospital as defined by G.S. 131-126.1(3); or a nursing home as defined by G.S. 130-9(e)(2); or any other person who is legally responsible for the negligence of such person, hospital or nursing home; or any person acting at the direction or under the supervision of a health care provider.

(5) ‘Manager’ means the person appointed by the Board to administer the Fund as provided for in G.S. 58-254.23.

“§ 58-254.21. *North Carolina Health Care Excess Liability Fund; creation; investment; coverage.*—(a) The North Carolina Health Care Excess Liability Fund is created to be collected and received by the Board for exclusive use for the purposes stated in this Article.

(b) All monies which belong to the Fund and are collected or received under this Article shall be held in trust, deposited in a segregated account, invested and reinvested by the Board in accordance with the reserve investment requirements of G.S. 58-79.1, and shall not become a part of the General Fund of the State. All interest and revenues from monies belonging to the Fund shall inure solely to the benefit and use of the Fund. The Board shall be authorized to withdraw funds from such account as amounts payable under G.S. 58-254.26 and other expenses become due and payable. No part of the revenues or assets of the Fund shall inure to the benefit of or be distributable to the Board or any member thereof or any officer or employee of the Board, except for services rendered. All expenses and salaries connected with the administration and operation of the Fund shall be paid out of the Fund.

(c) Profits of the Fund. The Board shall establish a surplus account which in the sound business judgment of the Board will be sufficient to meet the normal contingencies of its operations. All other profits shall be returned to the participating health care providers by adjustment of the assessments.

(d) Restrictions of use by State. No monies, funds, reserves, investments and property, whether real or personal, acquired, administered, possessed or held by the Fund, nor any profits earned by the Fund, may be taken, used or appropriated by the State of North Carolina for any purpose whatsoever.



“§ 58-254.22. *Fund accounting and audit.*—(a) Monies shall be withdrawn from the Fund only upon vouchers approved and as authorized by the Board.

(b) Persons authorized to receive deposits, withdraw, issue vouchers or otherwise disburse any Fund monies shall post a blanket fidelity bond in an amount to be determined by the Board and reasonably sufficient to protect Fund assets. The cost of such bond shall be paid from the Fund.

(c) Annually, the Board shall furnish an audited financial report to the Commissioner, the State Auditor and to Fund participants upon request. The report shall be prepared by an independent certified public accountant in accordance with accepted accounting procedures.

(d) The Board shall report annually to the General Assembly and the Governor on the financial condition of the Fund and its statistical claims experience and may make recommendations as to any further legislative actions which may be needed to carry out the intent of this Article. All such reports shall be made freely available to the public.

“§ 58-254.23. *Board of Governors; creation; membership; terms; powers and duties.*—(a) There is hereby created the Board of Governors of the North Carolina Health Care Excess Liability Fund with the power to:

- (1) Adopt such rules and regulations as may be necessary for the interpretation and implementation of this Article.
  - (2) Employ such officers and employees as it deems necessary to carry out the provisions of this Article or to perform the duties and exercise the powers conferred upon it by law. The compensation for such officers and employees shall be fixed by the Board.
  - (3) Sue and be sued in all actions arising out of any act or omission in connection with the business or affairs of the Fund.
  - (4) Enter into any contracts or obligations relating to the Fund which are authorized or permitted by law, including, but not limited to, contracts for claims-management services such as the evaluation, negotiation, defense and settlement of medical malpractice claims against participating health care providers.
  - (5) Conduct all business affairs and perform all acts relating to the Fund, whether or not specifically designated in this Article.
- (b) The membership of and appointments to the Board shall be as follows:
- (1) Two members to be appointed by the Lieutenant Governor from a list of two nominees per appointment submitted by the North Carolina Medical Society;
  - (2) Two members to be appointed by the Speaker of the House from a list of two nominees per appointment submitted by the North Carolina Hospital Association;
  - (3) One member to be appointed by the Governor from a list of two nominees submitted by the North Carolina Nurses' Association;
  - (4) One member to be appointed by the Governor from a list of two nominees submitted by the North Carolina Dental Society; and
  - (5) One member from a health care profession other than those enumerated in subdivisions (1) through (4) of this subsection to be appointed by the Governor.

(c) Members appointed pursuant to this section shall be residents of the State and shall serve terms of four years: Provided that the initial appointees shall serve terms as follows:

(1) Members appointed by the Governor shall serve initial terms of two, three and four years.

(2) Members appointed by the Lieutenant Governor shall serve initial terms of two and three years; and

(3) Members appointed by the Speaker of the House shall serve initial terms of two and four years.

(d) The Commissioner shall be an ex officio member of the Board. The Commissioner or his designee shall have a vote on all matters before the Board.

(e) Initial appointments to the Board shall be made within 30 days of the effective date of this Article. The organizational meeting of the Board shall be held upon the call of the Commissioner and within 30 days after initial appointments are completed.

(f) Any appointment to fill a vacancy on the Board created by the resignation, dismissal, death, or disability of a member shall be for the balance of the unexpired term. At the expiration of each member's term, the appointing authority shall reappoint or replace the member with a member from the same category. At its organizational meeting and on or after July 1 of each year thereafter, the Board shall designate by election one of its members as Chairman. The Board shall also elect or appoint, and prescribe the duties of such other officers as the Board deems necessary or advisable, including a secretary and treasurer.

(g) Any appointing authority shall have the power to remove any member for misfeasance, malfeasance, or nonfeasance in accordance with G.S. 143B-13. Compensation and allowances for members of the Board shall be as provided in G.S. 138-5. The Commission shall not receive said compensation and allowances.

(h) There shall be a manager of the Fund who shall be appointed by the Board. The manager shall conduct the business affairs of the Fund under the general direction of the Board. Before entering the duties of the office, the manager shall qualify by giving an official bond approved by the Board. The Board may delegate to the manager of the Fund, under such rules and regulations and subject to such conditions as it from time to time prescribes, any power, function or duty conferred by law on the Board in connection with the administration, management and conduct of the business affairs of the Fund. The manager may exercise such powers and functions and perform such duties with the same force and effect as the Board.

(i) There shall not be any personal liability on the part of any member of the Board, or any officer or employee of the Fund, for, or on account of, any act performed or obligation entered into in an official capacity, when done in good faith, without intent to defraud, and in connection with the administration, management, or conduct of the Fund or affairs relating thereto.

“§ 58-254.24. *Participation in the Fund.*—(a) When a health care provider has proved to the satisfaction of the Board that he is insured by an insurer licensed and approved by the Commissioner or under a self-insurance plan approved by the Board against legal liability for damages arising out of professional malpractice in the sums required under subsection (b) of this section, and if the health care provider has paid the current assessment required

under G.S. 58-254.25, the health care provider shall be deemed to be a bona fide participant in the Fund and shall become subject to the provisions of this Article and the rules and regulations of the Board. The financial responsibility requirements herein shall include an obligation of the insurer or self-insurer to defend an action against the participating health care provider irrespective of payment or offer of payment of the limits provided by such insurer or self-insurer.

(b) The minimum amount of professional liability insurance or self-insurance required to be maintained by a participating health care provider shall be one hundred thousand dollars (\$100,000) for each occurrence or claim made and one hundred thousand dollars (\$100,000) aggregate for occurrences or claims made in any one year.

(c) If a health care provider participating in the Fund has insurance or self-insurance coverage in excess of the amounts stated in subsection (b) of this section, the Board may grant an appropriate reduction of his assessment for the Fund.

(d) The Board shall afford a participating health care provider the same type of coverage, occurrence or claims made, as is provided by his insurer or approved self-insurer in subsection (a) of this section.

“§ 58-254.25. *Assessment for the Fund.*—(a) A health care provider who wishes to participate in the Fund and be subject to the provisions of this Article and the rules and regulations of the Board shall, in addition to complying with the provisions of G.S. 58-254.24, not later than the date or dates specified by the Board in each year, pay to the Fund an assessment to be determined by the Board.

(b) Monies received by the Board under subsection (a) of this section shall be handled in accordance with the provisions of G.S. 58-254.21 and G.S. 58-254.22.

(c) Any health care provider who carries a claims-made policy or is protected by an approved self-insurance plan and who discontinues participation in the Fund may obtain full occurrence coverage from the Board by purchasing a reporting endorsement on the claims-made policy or self-insurance plan by payment of the assessment then required by the Board on the same basis as the insurer or self-insurer requires a reporting endorsement premium to be paid.

(d) The Fund shall be subject to the premium tax law as stated in North Carolina General Statutes Chapter 105-228.5.

“§ 58-254.26. *Payment of claims by the Fund.*—(a) Any amount due from a judgment, arbitration award or Board-approved settlement which is in excess of a participating health care provider's insurance or self-insurance coverage required by G.S. 58-254.24 shall be paid from the Fund in an amount not to exceed two million dollars (\$2,000,000) for each occurrence or claim made and two million dollars (\$2,000,000) aggregate for occurrences in or claims made in any one year. The purpose of this Article is to afford a participating health care provider with effective excess coverage of \$2,000,000 per occurrence or claim made and \$2,000,000 aggregate per annum.

(b) Payment of claims by the Fund as provided in subsection (a) of this section shall only be made when the Board issues a voucher or other appropriate request after the Board receives either of the following:

- (1) A certified copy of a final judgment or arbitration award against a participating health care provider.
- (2) A certified copy of a Board-approved settlement between a participating health care provider and a claimant.

Any and all payments of claims from the Fund on behalf of a participating health care provider shall inure to the benefit of said health care provider.

(c) A participating health care provider or his insurer or self-insurer or any claimant shall notify the Board of all claims made or reported or actions filed against said health care provider. Such notice shall be in writing, mailed to the Board within a reasonable time to provide the Board adequate preparation time to defend or negotiate said claim or action, and shall include the date of the alleged occurrence, the date of the making, reporting or filing of said claim or action, and the amount demanded, if declared, by the claimant. The Board shall not pay claims on behalf of or provide the services in subsection (d) of this section to any participating health care provider unless adequate notice to the Board has been provided.

(d) The Board may provide for claims management and services, including the legal defense of participating health care providers in actions filed against them and in settlement negotiations.

(e) Nothing in this Article shall be deemed or construed to:

- (1) limit the personal liability of any participating health care provider for malpractice arising out of the performance of or failure to perform professional services;
- (2) limit the amount of compensation from any final judgment, arbitration award or Board-approved settlement to any claimant injured as a result of said malpractice; or
- (3) permit the filing by any claimant of an action against the Board or Fund except upon a final judgment obtained by the claimant against a participating health care provider or upon a Board-approved settlement agreement.

(f) The Fund shall not be liable for awards for punitive damages against participating health care providers.

“§ 58-254.27. *Commencement of operations; effective date of coverage.*—(a) The Fund shall provide the excess coverage provided in this Article only for causes of action arising out of occurrences on or after the effective date of participation of a health care provider.

(b) The Board may provide coverage by the Fund when, in the Board's discretion, the Fund has sufficient monies and a sufficient number of participation agreements.

“§ 58-254.28. *Acceptance of and compliance with Article and rules and regulations of the Board.*—Compliance with the provisions of G.S. 58-254.24 and G.S. 58-254.25 shall constitute, on the part of a participating health care provider, a conclusive and unqualified acceptance of the provisions of this Article and the rules and regulations of the Board.

“§ 58-254.29. *Records.*—Records held by the Fund shall not be subject to the provision of Chapter 132 of the General Statutes pertaining to public records.”

**Sec. 4.** If any provision of this act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared severable.

**Sec. 5.** This act shall become effective upon ratification.



In the General Assembly read three times and ratified, this the 13th day of May, 1976.

## H. B. 1291

## CHAPTER 979

AN ACT TO CHANGE THE QUARTERLY SYSTEM OF REMITTING STATE PERSONAL INCOME TAX WITHHELD BY EMPLOYERS TO A MONTHLY SYSTEM FOR LARGE EMPLOYERS AND TO PROVIDE FOR UNIFORM MONTHLY FILING DATES.

*The General Assembly of North Carolina enacts:*

**Section 1.** G.S. 105-163.6, as the same appears in the 1975 Cumulative Supplement to Volume 2D of the General Statutes, is amended as follows:

(a) by rewriting the last sentence of subsection (b) to read as follows: "Such returns and payments to the Secretary by transient employers shall be made on or before the 15th day of the month following the month for which such amounts were deducted and withheld from the wages of his employees."

(b) by rewriting the last sentence of subsection (c) to read as follows: "Such returns and payments to the Secretary by employers engaged in such seasonal business shall be made on or before the 15th day of the month following the month for which such amounts were deducted and withheld from the wages of his employees."

(c) by substituting the word "subsection" for the word "section" as the same appears in the last sentence of subsection (f).

(d) by redesignating subsections (d), (e) and (f) as subsections (e), (f) and (g) respectively, and

(e) by inserting a new subsection (d), immediately following subsection (c) to read as follows:

"(d) Notwithstanding any of the other provisions of this section, every employer required to deduct and withhold under the provisions of G.S. 105-163.2 an average of three thousand dollars (\$3,000) or more per month during the preceding calendar year (or during so much of such year as he paid wages) and every employer who begins paying wages during a calendar year and whose liability to deduct and withhold under G.S. 105-163.2 can reasonably be expected to average three thousand dollars (\$3,000) or more per month in that calendar year, shall make returns and pay over to the Secretary each month the amounts required to be withheld under G.S. 105-163.2. Returns and payments to the Secretary by such employers shall be made on or before the 15th day of the month following the month for which such amounts were required to be withheld from the wages of employees.

When an employer has become subject to the requirements of this subsection, he shall continue to make returns and payments to the Secretary on that basis. However, an employer required under the provisions of this subsection to file monthly returns who, in a later calendar year, is required to deduct and withhold under G.S. 105-163.2 an average of less than three thousand dollars (\$3,000) per month may make application to the Secretary for authority to use the quarterly basis for filing and making payments. Such authority, when granted, shall be in writing, shall commence on a date set by the Secretary, and shall continue until the Secretary, in the exercise of his discretion, shall revoke it in writing, effective on a date set by him."

**Sec. 2.** This act shall become effective on October 1, 1976.

In the General Assembly read three times and ratified, this the 14th day of May, 1976.

## H. B. 1299

## CHAPTER 980

AN ACT TO AMEND G.S. 7A-304 AND G.S. 7A-305 TO INCREASE THE COSTS OF COURT IN THE SUPERIOR COURT AND DISTRICT COURT DIVISIONS OF THE GENERAL COURT OF JUSTICE.

*The General Assembly of North Carolina enacts:*

**Section 1.** G.S. 7A-304(a)(4) is amended to read as follows:

“(4) For support of the General Court of Justice, the sum of nineteen dollars (\$19.00) in the district court, including cases before a magistrate, and the sum of twenty-eight dollars (\$28.00) in the superior court, to be remitted to the State Treasurer.”

**Sec. 2.** G.S. 7A-305(a)(2) is hereby amended on lines one and two by deleting therefrom the words and figures “twenty dollars (\$20.00)”, and substituting in lieu thereof the words and figures “twenty-eight dollars (\$28.00)”.

**Sec. 3.** G.S. 7A-305(a)(2) is further amended on line two by deleting therefrom the words and figures “ten dollars (\$10.00)”, and substituting in lieu thereof the words and figures “eighteen dollars (\$18.00)”.

**Sec. 4.** This act shall become effective on July 1, 1976.

In the General Assembly read three times and ratified, this the 14th day of May, 1976.

## H. B. 1303

## CHAPTER 981

AN ACT TO INCREASE FEE FOR RECEIVING SERVICE OF PROCESS AS STATUTORY AGENT OF A CORPORATION TO RECOVER COST.

*The General Assembly of North Carolina enacts:*

**Section 1.** G.S. 55-155(a)(18) is amended by deleting from line three the figures “1.00” and inserting in lieu thereof the figures “3.00”.

**Sec. 2.** G.S. 55A-77(a)(8) is amended by deleting from line two the figures “1.00” and inserting in lieu thereof the figures “3.00”.

**Sec. 3.** This act shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 14th day of May, 1976.

## H. B. 1310

## CHAPTER 982

AN ACT TO EXEMPT FROM SALES TAX CERTAIN MEALS SOLD TO ELDERLY AND INCAPACITATED PERSONS.

*The General Assembly of North Carolina enacts:*

**Section 1.** G.S. 105-164.13 is amended by adding thereto a new subsection (31) to read as follows:

“(31) Sales of meals not for profit to elderly and incapacitated persons by charitable or religious organizations not operated for profit which are entitled to the refunds provided by G.S. 105-164.14(b), when such meals are delivered to the purchasers at their places of abode.”

**Sec. 2.** This act shall become effective on July 1, 1976.



In the General Assembly read three times and ratified, this the 14th day of May, 1976.

## S. B. 954

## CHAPTER 983

AN ACT TO MODIFY CURRENT OPERATIONS AND CAPITAL IMPROVEMENTS APPROPRIATIONS FOR NORTH CAROLINA STATE GOVERNMENT FOR THE FISCAL YEAR 1976-77, AND TO MAKE OTHER CHANGES IN THE BUDGET OPERATION OF THE STATE.

*The General Assembly of North Carolina enacts:*

## PART I. CURRENT OPERATIONS—GENERAL FUND

**Section 1.** The appropriations from the General Fund for the 1976-77 fiscal year in the 1976-77 column of the schedule in Section 2 of 1975 Session Laws Chapter 875 are repealed, and appropriations from the General Fund for the maintenance of the State departments, institutions, and agencies, and for other purposes as enumerated are made for the fiscal year ending June 30, 1977, according to the following schedule:

<u>Current Operations—General Fund: Department</u>		<u>1976-77</u>
General Assembly	●	\$ 5,577,328
Judicial Department	●	43,431,600
The Governor's Office	●	736,069
The Lieutenant Governor	●	121,396
Department of Administration	●	17,958,486
Department of Secretary of State	●	421,958
Department of State Auditor	●	4,819,079
Department of State Treasurer	●	3,032,310
Department of Justice	●	11,472,888
Department of Revenue	●	17,620,308
State Board of Elections	●	158,630
Department of Military & Veterans Affairs	●	3,641,036
Department of Commerce	●	6,202,047
Department of Insurance	●	3,017,884
Department of Labor	●	2,722,041
Department of Correction	●	69,321,847
Department of Public Education		
01. Department of Public Instruction	●	4,821,659
02. State Public School Fund	●	776,249,862
03. State Board of Education	●	2,567,468
04. Occupational Education	●	40,550,899
05. Governor's School	●	219,488
06. Purchase of School Buses	●	8,581,934
07. Program of Education by Television	●	424,552
08. School Food Service	●	4,332,020
09. Professional Improvement of Teachers	●	1,120,090

10. Planning, Research & Development	•	53,121
11. Evaluation & Assessment	•	635,376
Total Department of Public Education	•	839,556,469
Department of Community Colleges		
01. Department of Community Colleges Generally	•	103,069,752
02. Department of Community Colleges-Equipment		
a. Equipment	•	4,516,458
03. Vocational Textile School	•	251,968
Total Community Colleges	•	107,838,178
The University of North Carolina		
01. Board of Governors		
a. General Administration	•	3,606,023
b. Lump Sum Appropriations		
(01) General	•	1,278,408
(02) Specific		
(a) Institutional Programs	•	25,121,398
(b) East Carolina University Medical School	•	2,363,337
(c) North Carolina Central University Law School	•	150,000
(d) Vocational Rehabilitation Center	•	96,806
c. Related Educational Programs	•	13,793,682
Total Board of Governors	•	46,409,654
02. University of North Carolina at Chapel Hill		
a. Academic Affairs	•	38,325,234
b. Division of Health Affairs	•	23,309,039
c. Area Health Education Centers	•	5,327,373
03. North Carolina State University at Raleigh		
a. Academic Affairs	•	32,930,634
b. Industrial Extension Service	•	715,894
c. Agricultural Experiment Station	•	11,132,197
d. Agricultural Extension Service	•	8,543,453
04. University of North Carolina at Greensboro	•	13,967,084
05. University of North Carolina at Charlotte	•	11,227,167
06. University of North Carolina at Asheville	•	2,506,495

07. University of North Carolina at Wilmington	●	4,851,032
08. East Carolina University	●	17,579,446
09. North Carolina Agricultural & Technical State University	●	8,410,149
10. Western Carolina University	●	9,112,137
11. Appalachian State University	●	13,115,555
12. Pembroke State University	●	3,297,295
13. Winston-Salem State University	●	3,532,176
14. Elizabeth City State University	●	2,789,554
15. Fayetteville State University	●	3,569,305
16. North Carolina Central University	●	7,307,656
17. North Carolina School of the Arts	●	1,876,126
18. North Carolina Memorial Hospital	●	15,304,178
Total University of North Carolina	●	285,138,833
Department of Cultural Resources	●	10,265,121
Department of Transportation		
01. State Ports Authority	●	142,454
02. Aid to Airports	●	1,991,079
03. Grants, Mass Transit	●	910,000
Total Department of Transportation	●	3,043,533
Department of Human Resources		
01. Departmental Administration and Support	●	2,260,436
02. Health Services	●	27,152,880
03. Services for the Blind	●	3,519,088
04. Vocational Rehabilitation	●	5,752,704
05. Mental Health Services		
a. Administration and Grants-in-aid	●	31,479,145
b. Alcoholic Rehabilitation Center, Black Mountain	●	1,457,075
c. Alcoholic Rehabilitation Center, Butner	●	1,031,193
d. Walter B. Jones Alcoholic Rehabilitation Center, Greenville	●	1,018,995
e. Dorothea Dix Hospital	●	15,839,366
f. Broughton Hospital	●	12,021,499
g. Western Carolina Center	●	6,487,960

h. Cherry Hospital	●	12,924,805
i. O'Berry Center	●	6,738,559
j. John Umstead Hospital	●	10,794,879
k. Murdoch Center	●	10,758,784
l. Caswell Center	●	11,351,758
m. Wright School	●	561,954
06. North Carolina Orthopedic Hospital	●	870,202
07. Lenox D. Baker Cerebral Palsy & Crippled Children's Hospital of North Carolina	●	540,898
08. Confederate Women's Home	●	85,269
09. North Carolina Specialty Hospitals		
a. General Administrative Office	●	244,616
b. McCain Hospital	●	2,646,163
c. Western Carolina Hospital	●	2,418,194
d. Eastern North Carolina Hospital	●	2,500,761
10. North Carolina School for the Deaf	●	3,551,975
11. Eastern North Carolina School for the Deaf	●	2,018,614
12. Central North Carolina School for the Deaf	●	1,446,430
13. Governor Morehead School	●	2,404,742
14. Facility Services	●	5,953,341
15. Social Services	●	105,129,187
16. State Aid to Non-State Health & Welfare Agencies	●	2,695,011
17. Youth Services	●	9,341,669
Total Department of Human Resources	●	302,998,152
Department of Natural & Economic Resources	●	24,435,138
Department of Agriculture	●	13,017,709
Debt Service-Interest	●	17,819,000
Debt Service-Redemption	●	22,205,500
Contingency & Emergency	●	1,500,000
Salary Adjustments of State Employees	●	900,000
Reserve for Retirement, Social Security, Hospitalization Insurance & Unemployment Compensation of Teachers & State Employees	●	3,176,446
Reserve for Cost Increase Utilities & Fuel	●	4,350,000
Reserve for Increase in		

Hospitalization Insurance Cost	●	6,053,770
Salary increase for certain employees not subject to the Personnel Act		
01. College Academic Personnel EPA; Board of Governors, The University of North Carolina	●	2,951,144
02. Community College Personnel EPA	●	1,669,654
Salary increase for Teachers & State Employees		
01. Public School Employees	●	52,236,223
02. Community College Personnel	●	6,565,667
03. Board of Governors-The University of North Carolina	●	9,407,514
04. Employees Subject to the State Personnel Act	●	27,289,500
05. Court System Personnel	●	2,316,680
06. Teachers-Youth Services School	●	102,674
07. Personnel Exempt from the State Personnel Act & Utilities Commissioners	●	92,672
Total Salary Increases	●	98,010,930
Reserve for replacement of passenger vehicles & light trucks	●	100,000
GRAND TOTAL CURRENT OPERATIONS-		
GENERAL FUND	●	\$1,935,284,484
PART II. CURRENT OPERATIONS—HIGHWAY FUND		

**Sec. 2.** The amounts appropriated from the Highway Fund for the 1976-77 fiscal year in the 1976-77 column of the schedule in Section 3 of 1975 Session Laws Chapter 875 are repealed, and appropriations from the Highway Fund for the expense of collecting revenues, for the service of the highway debt, and for the maintenance of transportation-related activities are made for the fiscal year ending June 30, 1977, according to the following schedule:

<u>Current Operations—Highway Fund: Department</u>	<u>1976-77</u>
Title A	
Department of Transportation	
01. General Administration	
a. Policy & Program	
Direction	● \$ 439,073
b. Central Management & Service	● 8,656,769
c. Transportation Planning	● 375,040
d. Transportation Safety	● 9,404,749
02. Highways	

a. General Management	●	1,344,794
b. Engineering Management	●	14,641,316
c. State Construction		
(01) Primary Construction	●	21,280,912
(02) Secondary Construction		
(a) Statewide	●	0
(b) Safety Improvements	●	100,000
(c) County	●	30,000,000
(03) Urban Construction	●	10,573,649
(04) Access & Public Roads	●	1,500,000
(05) Bridge Replacements	●	5,000,000
d. State Funds to Match		
Federal Highway Aid-		
Planning Survey & Highway		
Planning Research	●	1,367,714
e. State Funds to Match		
Federal Highway Aid-		
Construction	●	46,105,540
f. State Maintenance		
(01) Primary	●	43,624,655
(02) Secondary	●	64,301,380
(03) Urban	●	11,974,892
g. Ferry Operations	●	4,812,777
h. State Aid to Municipalities	●	29,375,000
03. Mass Transportation		
Planning	●	68,457
04. Revenue Collection &		
Vehicle Regulation	●	13,817,838
05. State Highway Patrol	●	24,997,052
06. Reserve and Transfers		
a. Merit Salary Increments	●	9,562,132
b. Employers Retirement		
Contribution for central		
offices & Division of		
Highways	●	9,994,282
c. Highway Fund Contribution		
to the Law Enforcement		
Officers Retirement Fund	●	1,435,000
d. Employers Social Security		
Contribution for the		
central offices and the		
Division of Highways	●	6,127,080
e. Employers Contribution for		
Hospital/Medical		
Insurance—central offices		
& Division of Highways	●	1,922,856
f. Disability Salary		
Continuation for the		
central offices and the		
Division of Highways	●	443,736



g. Reimbursement to the Department of Revenue for Gasoline Tax Collection	●	690,642
h. Reserve for Implementation of the Occupational Health and Safety Act	●	875,000
i. Reserve for Salary Increase for Highway Fund Employees	●	12,231,622
j. Reserve for Increased Contribution for Hospital Medical Insurance	●	788,891
Total Department of Transportation	●	387,832,848
Other Highway Fund		
Title B		
01. Debt Service	●	23,156,000
02. Salary Adjustments for Highway Fund Positions	●	1,150,000
03. Reserve for Contingencies	●	500,000
04. Reserve for Increased Retirement Benefits	●	220,000
05. Department of Commerce for Transportation Inspection	●	418,658
06. Department of Agriculture for Gasoline Inspection	●	1,020,249
07. Certifying and Training Breath Test Operators	●	166,399
Total Other Highway Fund	●	26,631,306
GRAND TOTAL CURRENT OPERATIONS- HIGHWAY FUND	●	\$414,464,154
PART III. CAPITAL IMPROVEMENTS—GENERAL FUND		

**Sec. 3.** The amounts appropriated from the General Fund for the 1976-77 fiscal year in the 1976-77 column in the schedule in Section 4 of 1975 Session Laws Chapter 874 and the total amount appropriated to begin July 1, 1976, in the first paragraph of Section 4 are repealed, and appropriations from the General Fund for use by State institutions, departments and agencies to provide for capital improvement projects are made for the fiscal year ending June 30, 1977, according to the following schedule:

<u>Capital Improvements—General Fund: Department</u>		<u>1976-77</u>
Department of Administration		
01. Reserve for capital improvement cost increases	●	\$ 500,000
02. Continue development of mall in State government center		1,735,000
03. Renovations and repairs of buildings - government center	●	100,000
04. Land acquisition - government center		650,000

05. Land acquisition - State		
parks	●	1,800,000
Less receipts-BOR	●	1,300,000
General Fund appropriation	●	500,000
06. Renovation of Agriculture		
Building	●	1,300,000
07. Renovation of Museum of		
Natural History	●	90,000
Total Department of		
Administration	●	4,875,000
Board of Governors - University		
of North Carolina		
01. Construction or renovation		
of educational, administra-		
tive, maintenance, and		
utilities facilities;		
architectural barrier		
removal; OSHA compliance;		
and land acquisition	●	4,527,500
02. East Carolina University		
Medical Complex	●	18,325,000
03. North Carolina Central		
University Law School		
Building	●	2,250,000
04. Vocational Rehabilitation		
Center at Chapel Hill	●	300,000
Total Board of Governors -		
University of North Carolina	●	25,402,500
Community Colleges		
01. Construction of facilities	●	4,500,000
Less Receipts	●	3,000,000
General Fund Appropriation	●	1,500,000
Total Community Colleges	●	1,500,000
Department of Cultural Resources		
01. Historic Halifax		
restoration	●	50,000
02. Reed Gold Mine		
restoration	●	31,250
03. Duke Homestead		
restoration	●	37,500
Total Department of Cultural		
Resources	●	118,750
Department of Human Resources		
01. Reserve for corrections of		
Life-Safety Code		
deficiencies	●	500,000
02. Central School for the Deaf		
a. Sidewalks, lighting,		
landscaping, playground	●	100,000
03. The Governor Morehead School		

a. Completion of primary school	●	358,888
04. O'Berry Center		
a. Re-roof four buildings	●	450,000
b. Renovation of and additions to B-1 and B-2 buildings	●	2,415,000
05. Caswell Center		
a. Re-roofing three buildings	●	110,000
b. Renovate Parrot and Johnson buildings	●	725,000
c. Non-ambulatory dormitory	●	1,685,000
06. Division of Youth Services		
a. Construction of School Building at Swannanoa	●	1,132,532
b. Replace Roof on Leonard Cottage at Samarkand Manor	●	11,000
c. Re-roof 2 cottages at C. A. Dillon School	●	10,000
d. Renovate Auman Cottage at Cameron Morrison School	●	40,000
e. Renovate Edwards Cottage at Cameron Morrison School	●	40,000
f. Replace Ceramic Tile Showers at Samarkand Manor	●	4,000
g. Replace Floor Tile 2 Cottages Samarkand Manor	●	16,000
h. Install Security Screens at Samarkand Manor	●	29,000
i. Install Floor Tile in 2 Cottages at C. A. Dillon School	●	6,000
j. Air Condition Classroom Building at Dobbs School	●	7,000
k. Air Condition Classroom Building at Samarkand Manor	●	8,000
l. Air Condition Classroom Building at C. A. Dillon School	●	6,000
m. Air Condition Cottages "A" and "B" at C. A. Dillon School	●	36,000
Total Department of Human Resources	●	7,689,420
Department of Military and Veterans Affairs		
01. Reserve for construction of or additions to armories at Clinton, Salisbury and Lumberton	●	1,427,000

Less receipts - federal	●	1,070,250
Less receipts - local	●	178,375
General Fund appropriation	●	178,375
02. Supplement to 1973		
appropriations for new		
armories at Canton-		
Waynesville, High Point &		
Monroe	●	138,000
Less receipts - federal	●	103,500
Less receipts - local	●	17,250
General Fund appropriation	●	17,250
Total Department of Military and		
Veterans Affairs	●	195,625
Department of Natural and		
Economic Resources		
01. Division of Parks and		
Recreation		
a. Reserve for development of		
recreational facilities at		
federal reservoirs, State		
parks	●	1,000,000
02. Division of Environmental		
Management		
a. Reserve for civil works		
projects	●	200,000
b. Reserve for development of		
Wanchese Harbor	●	500,000
Total Department of Natural and		
Economic Resources	●	1,700,000
Department of Transportation and		
Highway Safety		
01. State Ports Authority		
a. Hardstand South Dock		
Wilmington	●	1,720,000
b. Completion of sanitary		
sewer collection system		
Wilmington	●	255,000
Total Department of		
Transportation and Highway Safety	●	1,975,000
GRAND TOTAL CAPITAL IMPROVEMENTS		
APPROPRIATION GENERAL FUND	●	\$43,456,295
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—1975 SPECIAL BILL/HUMAN TISSUE DONATIONS

Sec. 104.

—1975 SPECIAL BILL/RECYCLING ADVISORY COUNCIL

Sec. 105.

—1975 SPECIAL BILL/NATIONAL GUARD TUITION ASSISTANCE

Sec. 106.

—1975 SPECIAL BILL/WESTERN CAROLINA CENTER

Sec. 107.

—1975 SPECIAL BILL/BOARD OF EDUCATION PLANT OPERATION

Sec. 108.

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Sec. 109.

—1975 SPECIAL BILL/SHELTERED WORKSHOPS

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—SPECIAL BILL/AGRICULTURAL EXTENSION SWINE

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Sec. 110.

—1975 SPECIAL BILL/JUDICIAL SECRETARIES AND  
INVESTIGATIONAL

Sec. 111.

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Sec. 112.

## —HUMAN RELATIONS/REDUCE CENTRAL STAFF

Sec. 112.1.

Sec. 112.2.

Sec. 112.3.

## —NEW DEPUTY CLERKS OF COURT

Sec. 113.

—ADDITIONAL ASSISTANT DISTRICT ATTORNEYS FOR 4TH, 9TH  
AND

Sec. 114.

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Sec. 115.

Sec. 116.

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EDUCATION

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## —DETENTION FACILITY FUNDS TO HUMAN RESOURCES

Sec. 118.

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## —PUBLIC RELATIONS

Sec. 120.

## —RENOVATIONS/STATE BUILDINGS

Sec. 121.

—PAY FOR GOODS AND SERVICES DURING FISCAL YEAR  
ORDERED

Sec. 122.

## —GOVERNMENT OPERATIONS COMMISSION CHECK

Sec. 123.

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Sec. 124.

—REVISE BENEFITS/LOCAL GOVERNMENTAL EMPLOYEES'  
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Sec. 125.

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## —FOREIGN-TRADE ZONES

Sec. 131.

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## —CHANGE VENUE FOR SOME DISTRICT COURT HEARINGS

Sec. 133.

## —ECONOMIZE IN CRIMINAL PROCEDURE/REMOVE UNJUSTIFIED

Sec. 134.

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Sec. 140.

Sec. 141.

Sec. 142.

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Sec. 144.

—STATE PORTS AUTHORITY/CONSTRUCT NEW TURNING BASIN  
AT

Sec. 145.

Sec. 146.

## —LINE ITEMS IN THE RECOMMENDED 1977-79 BUDGET

Sec. 147.

## —RETAIN 1975 APPROPRIATIONS LIMITATIONS AND DIRECTIONS

Sec. 148.

Sec. 149.

## —EFFECTIVE DATES

Sec. 150.

Sec. 151.

Sec. 152.

## PART IV. SPECIAL PROVISIONS

—FOUR PERCENT AND THREE HUNDRED DOLLAR PAY  
INCREASE

**Sec. 4.** The State officials and employees specified in this act shall receive higher pay increased annually by four percent (4%) of the amounts received on June 30, 1976, and by an additional three hundred dollars (\$300.00). The percentage increments shall be computed on salary amounts prior to the addition of the three hundred dollar (\$300.00) increment to base pay. The three hundred dollar increment shall be a continuing increase to base pay.

## —SALARIES AND OTHER BENEFITS/STUDY

**Sec. 4.1.** The appropriations in this act supporting salary increases amount to a lesser sum than the General Assembly considers desirable but represents the largest increase possible under current economic conditions and represents the most equitable increase based upon existing knowledge of the facts. The General Assembly is committed to providing teachers and State employees with salaries commensurate with the work they perform and sufficient to maintain an adequate standard of living; to this end, the Joint Committee to Study Salaries and Other Benefits for Teachers and State Employees is established to make a comprehensive and detailed report to the General Assembly prior to the convening of the 1977 Session. The President of the Senate shall appoint five members of the Senate and the Speaker of the House shall appoint five members of the House to the committee. The committee shall assemble as soon as practicable after its appointment and shall elect one of its members as chairman. The committee shall use staff services of



the Fiscal Research Division and may call upon the State Budget Office, the State Personnel Office and the Department of Public Instruction for assistance. The committee shall study all matters relating to salary and other compensation of all educational personnel at all levels and of other personnel paid from State funds and shall make recommendations concerning salary and benefit increases in the 1977-79 biennium. The committee shall collect and transmit to the General Assembly data concerning recent history of teacher and State employee compensation including comparisons of salary levels, increments and policies within the various employee groups within the State, comparisons of sums appropriated for teacher and employee compensation with sums appropriated for other governmental purposes and comparisons with data from other states on these subjects. The report shall seek to establish criteria for salary and other compensation which will include job descriptions and will ensure that teachers and State employees are paid in a manner which will reward experience and demonstrated ability and will, in the case of educational personnel, result in an educational system which will provide the children of North Carolina with the best possible educational system which the State is capable of supporting. In order to achieve this purpose, the committee shall recommend a proper level of State support for its educational personnel and other employees and shall study the resources of the State to suggest sources of additional revenue which may be necessary.

—SALARY AND WAGE PERCENTAGE INCREASE AND  
ADDITIONAL THREE HUNDRED DOLLARS/TEACHERS AND  
STATE EMPLOYEES GENERALLY

**Sec. 5.** The Director of the Budget is authorized and empowered to transfer from the appropriations in this act for salary increases of State employees paid from the General Fund and the Highway Fund respectively, such amounts, including the employer's retirement and social security contributions, as may be required to increase salaries in effect on June 30, 1976, for all full-time and part-time permanent public school employees and for all full-time and part-time permanent employees subject to the State Personnel Act by four percent (4%) and an additional three hundred dollars (\$300.00) commencing July 1, 1976, rounded to the nearest whole dollar figure per month for the annual term of the position. For an employee whose salary in effect on June 30, 1976, is not equal to a specific pay rate within the present State Personnel Commission or school system salary schedule, the annual percentage increase will be the amount applicable to the next lower pay rate. Permanent part-time employees and employees other than public school teachers whose term of employment is less than twelve months shall receive only the appropriate pro rata amount of the additional three hundred dollars (\$300.00) for permanent full-time employees.

The Director of the Budget is authorized and empowered to allocate, out of special operating funds, or from sources other than tax revenues under which personnel are employed, sufficient funds to conform with the provisions of this section, provided necessary funds are available or made available by sponsoring agents. The Director of the Budget is further authorized to promulgate special rules and regulations to apply to salary increases for employees whose salaries are paid from inter-agency receipts, where payments for the services of such employees originate from State appropriations, as long as the effective purchasing power of such appropriations is not materially reduced as a result of

these salary increases. Any question as to the applicability of the provisions of this paragraph shall be resolved by the Director of the Budget and the Advisory Budget Commission.

Salaries for positions which are paid partially from the General Fund and partially from sources other than the General Fund shall be increased from the General Fund appropriation only to the extent of the proportionate part of the salaries paid from the General Fund.

The granting of this legislative across-the-board percentage salary increase and additional three hundred dollar (\$300.00) increment shall not affect the status of eligibility for automatic or merit salary increments or both for which employees may be eligible during the 1976-77 fiscal year.

—SALARY PERCENTAGE INCREASE AND ADDITIONAL THREE  
HUNDRED DOLLARS/GENERAL ASSEMBLY PERMANENT  
EMPLOYEES

**Sec. 6.** The Legislative Services Officer is authorized to increase the salaries of permanent non-elected employees of the General Assembly in effect on June 30, 1976, by four percent (4%) and an additional three hundred dollars (\$300.00) commencing July 1, 1976, rounded to the nearest whole dollar figure divisible by twelve and otherwise adjusted to conform with the relative levels of the Legislative Services Commission salary schedule.

The granting of this legislative percentage salary increase and additional three hundred dollars (\$300.00) shall not affect the status of employees' eligibility for automatic or merit increments.

—LIMITATION ON ALL INCREASES

**Sec. 7.** The salary increases provided in this act to be effective July 1, 1976, shall not apply to persons separated from the State service due to resignation, dismissal, reduction in force, death or retirement, whose last work day is prior to July 1, 1976.

—TEMPORARY STATE EMPLOYEES

**Sec. 8.** Within regular Executive Budget Act procedures as limited by this act, all State agencies and departments are authorized to increase the rate of pay of temporary State employees, subject to availability of funds in the particular agency or department and on an equitable basis, by pro rata amounts approximately equal to the four percent (4%) and additional three hundred dollar (\$300.00) annual increase to full-time State employees.

—PERCENTAGE INCREASE AND ADDITIONAL THREE HUNDRED  
DOLLARS/SALARIES SET BY GOVERNOR, ABC, OR GENERAL  
ASSEMBLY

**Sec. 9.** The salaries of State employees set by the Governor and the Advisory Budget Commission that have to be submitted to the General Assembly under G.S. 143-34.3 may be increased by four percent (4%) and an additional three hundred dollars (\$300.00) during fiscal year 1976-77 without being submitted to the General Assembly. Also, salaries set or approved by the Governor or by the Advisory Budget Commission under G.S. 143B-15 or other related statutes and salaries to be set or approved by the General Assembly under G.S. 143B-15 or other related statutes may be increased by the same rate and additional amount.

—SALARY PERCENTAGE INCREASE AND ADDITIONAL THREE  
HUNDRED DOLLARS/COURT SYSTEM

**Sec. 10.** The salary per annum of members of the court system shall be as follows:

Chief Justice, Supreme Court	\$40,860
Associate Justice, Supreme Court	39,816
Chief Judge, Court of Appeals	38,256
Judge, Court of Appeals	37,224
Judge, Superior Court	32,016
Chief Judge, District Court	25,776
Judge, District Court	24,744
Solicitor or District Attorney	28,380
Assistant Solicitor or Assistant District Attorney	18,504
Administrative Officer of the Courts	34,104
Assistant Administrative Officer of the Courts	25,260
Public Defender	28,380
Assistant Public Defender an average of	18,504

The minimum salary of any assistant solicitor or assistant district attorney and assistant public defender shall be twelve thousand dollars (\$12,000) per annum; provided, that on recommendation of the district attorney or the public defender with the approval of the administrative officer of the courts the salaries of assistant district attorneys and assistant public defenders may be adjusted so long as the average salaries of assistant district attorneys and assistant public defenders in a judicial district do not exceed eighteen thousand five hundred four dollars (\$18,504). Funds appropriated in this act for salary increases and employer's retirement and related social security contributions for permanent employees of the Judicial Department not otherwise provided for under the provisions of Chapter 7A of the General Statutes are to provide salary increases commencing July 1, 1976, of the same percentage and of the same additional amount as that authorized for State employees subject to the Personnel Act by this act, rounded off to the nearest whole dollar figure divisible by twelve and to conform to the steps in the salary ranges adopted by the Judicial Department.

**Sec. 11.** The schedule of salaries of clerks of superior courts beginning on line 9 of G.S. 7A-102 is deleted and in lieu thereof the following schedule is substituted:

Population	Salary
Less than 10,000	\$10,596
10,000 to 19,999	13,308
20,000 to 49,999	15,900
50,000 to 99,999	17,988
100,000 to 199,000	20,892
200,000 and above	25,260

—SALARY/MAGISTRATES

**Sec. 12.** The maximum salary of magistrates in G.S. 7A-172 is changed by deleting "ten thousand seventy-four dollars (\$10,074)" and inserting in lieu thereof "ten thousand seven hundred seventy-six dollars (\$10,776)".

—ADDITIONAL EXPENSE ALLOWANCE/SUPERIOR COURT JUDGES

**Sec. 13.** Of the appropriations in Section 1 of this act to the Judicial Department, eighty-two thousand five hundred dollars (\$82,500) is to be used according to a new paragraph which is hereby added to G.S. 7A-44, to read as follows:

"In addition to the above allowance, each superior court judge may receive an additional allowance of a maximum of one thousand five hundred dollars (\$1,500) under the following conditions: (1) he must submit proof satisfactory to the director of the Administrative Office of the Courts that he has already spent the five thousand five hundred dollar (\$5,500) allowance for the purpose authorized; (2) thereafter, upon proper certification to the Administrative Office of the Courts, a judge of the superior court may receive a subsistence allowance of thirty-five dollars (\$35.00) per day while attending court and transacting official business outside his county of residence and mileage at the rate authorized for State employees for one round trip per week."

—SALARY PERCENTAGE INCREASE AND ADDITIONAL THREE  
HUNDRED DOLLARS/COUNCIL OF STATE

**Sec. 14.** G.S. 147-35 is rewritten to read as follows:

"§ 147-35. *Salary of Secretary of State.*—The salary of the Secretary of State shall be thirty-two thousand five hundred forty-four dollars (\$32,544) a year, payable monthly."

**Sec. 15.** G.S. 147-55 is rewritten to read as follows:

"§ 147-55. *Salary of Auditor.*—The salary of the State Auditor shall be thirty-two thousand five hundred forty-four dollars (\$32,544) a year, payable monthly."

**Sec. 16.** G.S. 147-65 is rewritten to read as follows:

"§ 147-65. *Salary of State Treasurer.*—The salary of the State Treasurer shall be thirty-two thousand five hundred forty-four dollars (\$32,544) a year, payable monthly."

**Sec. 17.** G.S. 115-13 is rewritten to read as follows:

"§ 115-13. *Office and salary of State Superintendent of Public Instruction.*—The State Superintendent of Public Instruction shall keep his office in the Education Building in Raleigh, and his salary shall be thirty-five thousand one hundred forty-eight dollars (\$35,148) a year, payable monthly."

**Sec. 18.** G.S. 114-7 is rewritten to read as follows:

"§ 114-7. *Salary of Attorney General.*—The Attorney General shall receive a salary of thirty-six thousand seven hundred eight dollars (\$36,708) a year, payable monthly."

**Sec. 19.** G.S. 106-11 is rewritten to read as follows:

"§ 106-11. *Salary of Commissioner of Agriculture.*—The salary of the Commissioner of Agriculture shall be thirty-two thousand five hundred forty-four dollars (\$32,544) a year, payable monthly."

**Sec. 20.** The second sentence of G.S. 95-2, as it appears in the 1975 Replacement to Volume 2C of the General Statutes, is rewritten to read as follows:

"The term of office of the Commissioner of Labor shall be four years, and he shall receive a salary of thirty-two thousand five hundred forty-four dollars (\$32,544) a year, payable monthly."

**Sec. 21.** G.S. 58-6 is rewritten to read as follows:



“§ 58-6. *Salary of Commissioner of Insurance.*—The salary of the Commissioner of Insurance shall be thirty-two thousand five hundred forty-four dollars (\$32,544) a year, payable monthly.”

—SALARY INCREASES/EDUCATION, CLERICAL AND CUSTODIAL EMPLOYEES

**Sec. 21.1.** The State Board of Education shall adopt the necessary rules and regulations to assure that all State-funded janitor and maid employees, and also State-funded clerical assistants in the offices of principals and superintendents, receive salary increases as authorized.

—SALARIES/LIMITATIONS ON COLLEGES AND COMMUNITY COLLEGES

**Sec. 22.** Section 50 of 1975 Session Laws Chapter 875 contains limitations and directions that apply to appropriations for merit salary increases to permanent college academic personnel and permanent community college personnel whose salaries are exempt from the State Personnel Act. The section includes authorization for the amount of funds to be allocated to individuals according to rules and regulations established by the Board of Governors of The University of North Carolina or the State Board of Education. All of these limitations and directions of Section 50 of 1975 Session Laws Chapter 875 shall apply to appropriations in this act for the same personnel for merit salary increases and for four percent (4%) and additional three hundred dollar (\$300.00) salary increases. As an additional limitation, no part of the funds appropriated as reserves for these merit increases by Section 1 of this act shall be used to establish any new position.

—SALARIES/DRIVER TRAINING SUMMER SCHEDULE

**Sec. 23.** The State Board of Education is authorized, within driver training funds available, to increase the summer salary schedule for driver training by four percent (4%) plus a pro rata monthly portion of the three hundred dollar (\$300.00) annual increase provided for other school personnel.

—EMPLOYEE DISABILITY SALARY CONTINUATION PROGRAM/MODIFY 1975 SPECIAL PROVISION

**Sec. 24.** Section 53 of 1975 Session Laws Chapter 875 is repealed. The Employee Disability Salary Continuation Program shall be funded on a pay-as-you-go basis instead of a pre-paid premium basis. Beginning July 1, 1976, funds budgeted for the existing Employee Disability Salary Continuation Program (\$3.00 per month per employee) shall be used to pay the increased employee cost for hospitalization (\$3.50 per month per employee) which became effective October 1, 1975. Employee disability salary continuation payments payable in 1975-77 shall be paid by the North Carolina Teachers' and State Employees' Retirement System from the existing reserves and interest income of the Disability Salary Continuation Program Fund.

—RETIREMENT SYSTEM EMPLOYEE CONTRIBUTION/STUDY

**Sec. 25.** The Fiscal Research Division of the Legislative Services Commission is authorized and empowered to have an examination conducted of the Teachers' and State Employees' Retirement System to determine the appropriate employers' matching contribution rate that should be used for the 1977-79 biennium, and to study funding arrangements to support hospitalization insurance for retired teachers and State employees. The results



of these studies shall be made available to the 1977 General Assembly prior to the convening of the session.

—TEACHERS/STATE EMPLOYEES HOSPITALIZATION  
CONTRACT/STUDY

**Sec. 25.1.** The appropriation of six million eight hundred forty-two thousand six hundred sixty-one dollars (\$6,842,661) from the General Fund and Highway Fund for increased hospitalization cost effective October 1, 1976, is made only upon condition that when any valid and binding contract providing for hospital and medical care benefits for teachers and State employees which exists at the time of ratification of this act expires, renewal of that contract or the execution of a new contract shall be done only after competitive bidding; failure to satisfy this condition shall automatically cancel the appropriation of six million eight hundred forty-two thousand six hundred sixty-one dollars (\$6,842,661).

—JOB PRIORITY FOR DISCHARGED EMPLOYEES

**Sec. 26.** Any State employee who has five years or more service with the State who is dismissed, discharged or otherwise terminated as a result of a budgetary cut by the 1975 General Assembly, Second Session 1976, shall be given first refusal on any job opening within State government for which the employee is otherwise qualified; provided that the employee was and the vacancy is subject to the State Personnel Act.

—REVENUE SHARING/CAPITAL IMPROVEMENTS

**Sec. 27.** To the end of providing maximum flexibility for the expenditure of appropriations consistent with federal regulations governing expenditure of general shared federal revenue, the items below, which are elements of 1976-77 Capital Improvements Appropriations to the indicated departments as enumerated in Section 3 of this act, are to be financed from the General Revenue Sharing Trust Fund of the State.

Capital Improvements—Revenue Sharing

<u>Trust:</u>	<u>Department</u>	<u>1976-77</u>
Department of Administration		
	Reserve for capital improvement cost increases	\$ 500,000
	Continue development of mall in State government center	1,735,000
	Land Acquisition-government center	650,000
	Renovation of Agriculture Building	1,300,000
	Renovation of Museum of Natural History	90,000
Board of Governors - The University of North Carolina		
	Construction or renovation of educational, maintenance, administrative, and utilities facilities; architectural barrier removal; OSHA compliance; and land acquisition	2,150,000
Department of Human Resources		
	Reserve for Corrections of Life-Safety Code deficiencies	500,000
	Central School for the Deaf	100,000
	The Governor Morehead School	358,888
	O'Berry Center	2,865,000

Caswell Center	2,520,000
Juvenile Evaluation Center	1,132,532
Samarkand Manor	68,000
Cameron Morrison	80,000
C. A. Dillon	58,000
Dobbs	7,000
Department of Transportation and Highway Safety	
State Ports Authority	1,975,000
Department of Cultural Resources	
Reserve for Capital Improvements at Historic Sites	36,938

#### —REVENUE SHARING/CURRENT OPERATIONS

**Sec. 28.** To the end of providing maximum flexibility for the expenditure of appropriations consistent with federal regulations governing expenditure of general shared federal revenue, the items below, which are elements of 1976-77 Current Operations Appropriations to the indicated departments as enumerated in Section 1 of this act, are to be financed from the General Revenue Sharing Trust Fund of the State.

<u>Current Operations—Revenue Sharing Trust: Department</u>	<u>1976-77</u>
Public Schools, Direct Financial Support of Local School Systems Programs, Support Services at the Local Level Subprogram	

Pupil Transportation Element:

Operational Costs	\$37,604,881
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Bus Replacement	8,805,858
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Textbooks Element	4,353,865
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**Sec. 29.** All limitations and directions of this act, of 1975 Session Laws Chapter 874, and of 1975 Session Laws Chapter 875 which are applicable to particular appropriations in this act are also applicable to elements funded from the General Revenue Sharing Trust Fund of the State which is part of the General Fund.

#### —PROCEEDS OF SALE, LEASE, OR RENTAL/STATE PROPERTY

**Sec. 30.** G.S. 146-30 is amended in the first sentence by placing a period after the word "Treasurer" and by deleting the remainder of the sentence.

Nothing in this section shall limit present authorization in G.S. 146-30 for the Wildlife Resources Commission's use of the net proceeds derived from the sale of land or products of land owned or under the supervision and control of the commission. Also, nothing in the section shall limit the disposition of proceeds of sale under newly enacted Section 11 of 1971 Session Laws Chapter 723 which is specifically exempt from the provisions of G.S. 146-30.

A new sentence is added at the end of G.S. 146-30 to read as follows:

"Provided, however, the net proceeds derived from the sale of land or timber from land owned by or under the supervision and control of the Department of Agriculture shall be deposited with the State Treasurer in a capital improvement account to the credit of the Department of Agriculture, to be used for such specific capital improvement projects or other purposes as are approved by the Director of the Budget and the Advisory Budget Commission."

#### —PROCEEDS OF SALE/UNC PROPERTY

**Sec. 31.** Section 16 of 1975 Session Laws Chapter 874 is repealed. Section 11 of 1971 Session Laws Chapter 723 is repealed and replaced by the following:

“Section 11. (a) Proceeds from the sale and lease of real and personal property disposed of pursuant to this act received on or before June 30, 1977, shall be applied as follows:

- (1) the first \$10,000,000 of the proceeds from the sale and lease shall be paid into the General Fund of the State; and
- (2) the remainder of the proceeds from the sale and lease shall be deposited with the State Treasurer to the credit of The University of North Carolina at Chapel Hill, and shall be used by said University of North Carolina at Chapel Hill for such projects and purposes as may be approved by the Board of Trustees of The University of North Carolina at Chapel Hill, by the Board of Governors of The University of North Carolina, and by the Advisory Budget Commission.

(b) Proceeds from the sale and lease of real and personal property disposed of pursuant to this act on or after July 1, 1977, shall be credited by the State Treasurer to the General Fund; provided, however, that in the event the receipt of any part of such proceeds is delayed beyond July 1, 1977, solely because of actions by any agency of the federal government other than a federal court, the disposition of that portion of the proceeds so delayed shall be as follows:

- (1) if a total of ten million dollars (\$10,000,000) of the proceeds from such sale and lease has not been paid into the General Fund of the State on or before June 30, 1977, as provided in subsection (a)(1), so much as may be required to bring the total to ten million dollars (\$10,000,000) shall be paid into the General Fund of the State; and
- (2) the remainder of the proceeds from such sale and lease shall be deposited with the State Treasurer to the credit of The University of North Carolina at Chapel Hill and shall be used as provided in subsection (a)(2).

(c) This section shall take effect despite any contrary provision of G.S. 146-30, or any other contrary provision of law.”

#### —PROCEEDS OF SALE/MENTAL HEALTH PROPERTY

**Sec. 32.** Funds currently on deposit in a capital improvement account with the State Treasurer from the sale of real property at State institutions under the Division of Mental Health, Department of Human Resources shall be transferred to the General Fund as a non-tax revenue July 1, 1976.

#### —COMMUNITY MENTAL HEALTH CENTER INPATIENT SERVICES/LIMITATIONS

**Sec. 33.** The funds appropriated in Section 1 of this act to the Department of Human Resources include one million dollars (\$1,000,000) to the Division of Mental Health Services for inpatient services in community mental health centers. These funds are to be distributed to the area mental health boards to assist in the start-up phase of new inpatient units. The funds for start-up costs are to be distributed in addition to any other State monies to community mental health centers. State funds to assist in the start-up phase of inpatient units shall be available to area boards for up to two years. After two years State funds received by area boards for inpatient units will be available only on the basis of the regular area matching formula.

To qualify for funds under this provision, area mental health boards shall submit a plan to the Department of Human Resources that details how these

funds are to be expended and the procedures that will be employed to collect patient fees and various forms of third party reimbursements.

—CHRONIC ALCOHOLICS IN WESTERN NORTH CAROLINA

**Sec. 34.** Of the funds appropriated to the Division of Mental Health Services for fiscal year 76-77 in Section 2 of this act sixty-seven thousand dollars (\$67,000) is to be used to develop a long-term treatment program for chronic alcoholics in the Blue Ridge Mental Health Area. These funds shall be used to match federal and local monies in this program. The coordination of this program shall be carried out by the Western Regional Office of the Division of Mental Health Services, Department of Human Resources.

—TRANSFER DESIGNATED PORTIONS OF MOREHEAD SCHOOL CAMPUS TO JUSTICE DEPARTMENT

**Sec. 35.** The appropriation in this act to the Department of Justice for the 1976-77 fiscal year includes one hundred eleven thousand dollars (\$111,000) to provide for the expense of moving the properties and personnel of the State Bureau of Investigation from their present several locations in Raleigh into consolidated quarters in the buildings on Garner Road, Raleigh, North Carolina, which were vacated by the Governor Morehead School when its former two campuses were consolidated and merged under the provisions of 1973 Session Laws Chapter 582, into a single campus on Ashe Avenue, Raleigh, North Carolina.

The following buildings, together with the adjacent land required for their effective use for the intended purposes, of the property comprising the former Garner Road Campus of the Governor Morehead School are transferred to the Department of Justice for its use: (1) the Administration Building, including the adjoining auditorium and classrooms; (2) the gymnasium and two small adjacent buildings; the basement of the gymnasium shall be for the exclusive use of the Department of Justice, but the gymnasium itself shall be available for the common use of all agencies occupying portions of the Garner Road Campus; (3) the Tucker-Whitaker Building; (4) the Joe Jackson Building; and (5) the M. Williams Building. This transfer shall take effect notwithstanding any existing conflicting action or policy of the Department of Administration or of the Council of State, and notwithstanding any existing conflicting provision of law.

Until July 1, 1977, no State agency or department shall use the property comprising the former Garner Road Campus of the Governor Morehead School for anything other than temporary projects that will not hinder transfer, sale, or other disposition of the property by the 1977 General Assembly. In order for any State agency or department to continue any current use of the property and in order for any agency or department to initiate any new use of the property, there must be an express approval of the Advisory Budget Commission. Approval shall be conditioned on a showing that the use is temporary and that it will not interfere with any 1977 disposition.

A study of the best State use or disposition of the property shall be made by the Joint Legislative Commission on Governmental Operations in the interim between the 1975 General Assembly, Second Session 1976 and the 1977 Session of the General Assembly. The Commission shall make recommendations to the 1977 General Assembly with respect to the best possible use or disposition of the campus in the future. The Commission shall have all the powers of an interim joint legislative committee including those in Article 5A of G.S. Chapter 120, and the expenses of the members shall be paid under G.S. 120-3.1. The



Commission shall report to the presiding officers on or before the convening of the 1977 General Assembly.

**Sec. 36.** (Text added to Sec. 35.)

—CLOSING FOUNTAIN SCHOOL

**Sec. 37.** The amounts appropriated to the Department of Human Resources in Section 1 of this act reflect reductions in the amounts appropriated to the department by the 1975 Session Laws Chapter 875, and part of these reductions is represented by the elimination of funding for the Richard T. Fountain School during fiscal year 1976-77. Notwithstanding any power of the Commission of Youth Services, including the power to close institutions granted by G.S. 134-7(5), the Fountain School shall be closed by the Department of Human Resources and Commission of Youth Services as soon as possible and after July 1, 1976, no funds available to the department shall be used in the continued operation of the school unless approved by the General Assembly.

—TRANSFER FOUNTAIN SCHOOL TO DEPARTMENT OF  
CORRECTION

**Sec. 38.** As of the effective date of this act, all property comprising the former Richard T. Fountain Reception and Diagnostic Center controlled by the Division of Youth Services is transferred to the control of the Department of Correction. The former center property shall include all land, and buildings and such equipment, supplies, and other properties on the site as are not removed by the Division of Youth Services for the division's use at other schools under its jurisdiction. The transfer shall take effect notwithstanding any then existing conflicting action or policy of the Department of Administration or Council of State, and notwithstanding any then existing conflicting provision of law.

**Sec. 39.** To provide for renovations and alterations at the former Fountain School property and at other properties of the Department of Correction which are necessary to provide additional accommodations for alleviation of prison over-crowding, and notwithstanding any conflicting provision of law, the Director of the Budget and the Advisory Budget Commission are authorized on their own initiative during the 1976-77 fiscal year (1) to reallocate unencumbered appropriations for capital improvements made to the Department of Correction by the General Assembly in prior years, (2) to allocate excess cash in the Prison Enterprises Fund, and (3) to direct the use of unanticipated federal funds which become available to the Department of Correction during the 1976-77 fiscal year.

—COMMUNITY BASED PROGRAMS AND FOUNTAIN SCHOOL  
EMPLOYEES/YOUTH SERVICES

**Sec. 40.** The amounts appropriated to the Department of Human Resources in Section 1 of this act include four hundred fifty thousand dollars (\$450,000) for the Division of Youth Services. Two hundred fifty thousand dollars (\$250,000) of the funds for Youth Services shall be for Community Based Programs, and the remaining two hundred thousand dollars (\$200,000) shall be for retention and transfer of former employees of Richard T. Fountain School after its closing on July 1, 1976.

—YOUTH SERVICES COMMISSION/ELECT CHAIRMAN

**Sec. 41.** G.S. 134A-5 as it appears in the 1975 Cumulative Supplement to Volume 3B of the General Statutes is rewritten to read as follows:

“§ 134A-5. *Organization and meetings of Commission.*—The commission shall have a chairman and a vice-chairman who shall be elected by and from the



voting membership of the commission by majority vote. The chairman and the vice-chairman shall serve at the pleasure of the commission and a majority of the voting members of the commission may call for a new election for either office. The first election of a chairman and vice-chairman shall be held as soon as possible after July 1, 1976, and the terms of the present chairman and vice-chairman shall end with the election of successors to their offices. A new election shall be held within 30 days after a majority of the voting members of the commission have called for a new election.

The commission shall meet quarterly and may hold special meetings at any time and place within the State on call of the chairman or upon written request of a majority of the voting members.

A majority of the voting members of the commission shall constitute a quorum for a meeting."

—TEXTBOOKS TRANSFERRED FROM PUBLIC EDUCATION TO  
YOUTH SERVICES

**Sec. 42.** The State Board of Education is authorized to provide such school textbooks to the Division of Youth Services as may be required, with such costs to be absorbed by the funds appropriated for the purchase of high school and elementary textbooks, not to exceed twenty-five thousand dollars (\$25,000).

—N. C. TEACHERS' READING LAB

**Sec. 43.** Article 44 of Chapter 115 of the General Statutes is repealed.

From the appropriations made in Section 1 of this act to the State Board of Education for the experimental primary reading program, the board is authorized in its discretion to expend up to one hundred and fifty thousand dollars (\$150,000) to provide 1976-77 support for the North Carolina Teachers' Reading Laboratory, which is an evolving program converted from what was formerly the North Carolina Advancement School. The limitations and directions of Section 58 of 1975 Session Laws Chapter 875 shall apply to this authorization.

—UNIFORM SICK LEAVE POLICY/STATE BOARD OF EDUCATION

**Sec. 44.** Part of the appropriations in Section 1 of this act to the Department of Public Education is to be used to fund sick leave for public school personnel based on .83 days per month and to fund other aspects of sick leave policy set by the State Board of Education under the authority of G.S. 115-11(13) and other statutes. The State Board of Education shall adopt a uniform, statewide policy concerning sick leave.

—RECOMMENDATION/1977 ATTENTION TO LOCAL MENTAL  
HEALTH STATE AID FORMULAS

**Sec. 45.** It is the recommendation of this General Assembly that the 1977 General Assembly and the Department of Human Resources give particular attention to the formulas for providing State aid to community mental health and mental retardation programs to the end that more State aid may be provided to those localities which have shown an extraordinary readiness to contribute to the financial support of the programs.

—RECOMMENDATION/1977 PRIORITY TO PROVIDE TEXTBOOKS  
FOR OVER-ENROLLMENT

**Sec. 46.** It is the recommendation of this General Assembly that the 1977 General Assembly give a high priority to appropriating sufficient funds, in addition to regular formula support, to provide an adequate supply of high

school textbooks for those local school units which are experiencing atypical increases in high school enrollment.

—OFFICE FOR AGING MATCHING FUNDS

**Sec. 47.** The Department of Human Resources, Office for Aging, is authorized to use funds currently appropriated as State matching funds for Title VII of The Older Americans Act as State matching funds for other federal programs.

—REIMBURSEMENT FOR SERVICES FOR THE BLIND

**Sec. 48.** The first paragraph of Section 13 of 1975 Session Laws Chapter 875 is amended to read as follows:

“Providers of medical services under the various State programs offering medical care to citizens of the State shall be reimbursed at the same rates as those provided under the Medicaid program, except for services for the blind under the Department of Human Resources. This provision relates specifically to the Crippled Children and Maternal and Child Health programs and the Chronic Disease Section of the Division of Health Services and services under Vocational Rehabilitation under the Department of Human Resources. Reimbursement rates for the reimbursement of providers for services for the blind under the Department of Human Resources shall be as prescribed by the Department of Human Resources.”

—MEDICARE-MEDICAID RECEIPTS

**Sec. 49.** The Medicare-Medicaid receipts held in Fund Account No. 18935 shall be distributed, effective July 1, 1976, as follows: one million seven hundred eighty thousand dollars (\$1,780,000) shall be transferred to the North Carolina Memorial Hospital general fund operating budget; eight hundred nine thousand two hundred sixty-one dollars (\$809,261) shall be transferred into the appropriate University of North Carolina Medical School Trust Fund Account; and when the remaining amount, two million two hundred twenty-four thousand four hundred ninety-nine dollars (\$2,224,499), is available from completed audits, that portion deemed payable to the North Carolina Memorial Hospital shall be deposited in the appropriate hospital revenue account, and the remaining portion shall be divided between the General Fund and the Medical School Trust Fund Account in a manner which reflects the basis for the above distribution.

—TECHNICAL INSTITUTES/SPECIAL EQUIPMENT

**Sec. 50.** Unexpended funds from previous years General Fund appropriations to the Department of Community Colleges for purchase of equipment for community colleges and technical institutes have accumulated in reserve accounts, and Section 1 of this act makes an additional appropriation to the department for the same equipment purchase purpose. The State Board of Education is directed, upon request and need shown, to use the funds accumulated in the reserve accounts and the newly-appropriated funds from this act for equipment for institutions as follows: eighty thousand dollars (\$80,000) for Cape Fear Technical Institute, sixty thousand dollars (\$60,000) for Haywood Technical Institute, and five hundred sixty-two thousand five hundred dollars (\$562,500) for Wilson Technical Institute.

Cape Fear Technical Institute	\$ 80,000
Haywood Technical Institute	60,000
Wilson Technical Institute	562,500

—SUSPEND NEW PERSONNEL POLICIES FOR COMMUNITY COLLEGES

**Sec. 51.** The effective date of the new personnel policies adopted by the State Board of Education for the Department of Community Colleges concerning annual leave, sick leave and holidays (Title 16, North Carolina Administrative Code, Section 4D.0105) is postponed from July 1, 1976, until July 1, 1977.

—COMMUNITY COLLEGE INTERNS/FUNDING RESTORED

**Sec. 52.** Funds are appropriated in Section 1 of this act to the Department of Community Colleges include eighty-seven thousand, six hundred sixteen dollars (\$87,616) for the Administrator Training Program to permit currently enrolled interns to continue their studies at North Carolina State University - Department of Adult and Community College Education through June 30, 1977.

In addition, up to thirty thousand dollars (\$30,000) may be expended from the funds appropriated in Section 1 of this act for the Department of Community Colleges's 1976-77 fiscal year operating budget for these same enrolled interns.

—COMMUNITY COLLEGES FEES

**Sec. 53.** The appropriations to the Department of Community Colleges in Section 1 of this act have been adjusted to reflect additional income in anticipation of actions by the State Board of Education to increase tuition and fees as follows:

Extension fee per course	from \$3.00 to \$5.00
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—NO REDUCTION IN COMMUNITY COLLEGE ALLOCATION  
UNLESS ENROLLMENT DECLINES

**Sec. 54.** Section 23 of 1975 Session Laws Chapter 875 contains limitations and directions that apply to appropriations for the Department of Community Colleges. All of the limitations and directions of Section 23 of 1975 Session Laws Chapter 875 shall apply to appropriations in this act for the Department of Community Colleges; and, as an additional limitation, no community college or technical institute shall be funded through State Board of Education allocations in 1976-77 at less than actual 1975-76 funded level unless there was a decline in the enrollment projections of an institution to justify a reduction in the allocation of funds. The allocations of funds under this section shall not apply to funds appropriated by Chapters 910, 923, and 939 of the 1975 Session Laws.

—EXCESS RECEIPTS IN COMMUNITY COLLEGES AND UNC NOT  
SUBJECT ALLOTMENT POWER OF DIRECTOR OF THE BUDGET

**Sec. 55.** During the 1976-77 fiscal year any net tuition and academic fee receipts realized in excess of the amounts anticipated in the academic budgets of the Department of Community Colleges and institutions of the University of North Carolina shall be made available to provide operating support for the affected academic budgets and shall not be used as the basis for reductions in appropriations.

—AID TO PRIVATE COLLEGES/LIMITATION

**Sec. 56.** Section 30 of the 1975 Session Laws Chapter 875 contains limitations and directions that apply to appropriations to the Board of Governors of the University of North Carolina for aid to private colleges. All of the limitations and directions of Section 30 of 1975 Session Laws Chapter 875 shall apply to appropriations in this for aid to private colleges. As an additional

limitation the funds for private colleges shall be placed in a separate, identifiable account in each eligible institution's budget/chart of accounts. All funds in this account shall be provided as scholarship funds for needy North Carolina students during the fiscal year, with any remaining funds to revert to the General Fund. Each student awarded a scholarship from this account shall be notified of the source of the funds and of the amount of the award.

—MERGE NATIONAL DRIVING CENTER AND N. C.

#### HIGHWAY RESEARCH CENTER

**Sec. 57.** The Board of Governors of The University of North Carolina is authorized to establish an Institute for Transportation Research and Education to facilitate the development of a broad program of transportation research and education involving other organizations and institutions which have related programs. The immediate purpose of the Institute shall be to create a management structure to coordinate and eventually merge the Highway Safety Programs of the National Driving Center and the North Carolina Highway Safety Research Center. The Board of Governors of The University of North Carolina is further authorized to establish a Council for Transportation Research and Education to represent all interests in transportation research and education, including but not limited to transportation safety. For these purposes, the Department of Transportation shall provide to the Board of Governors of The University of North Carolina, from the appropriation for the Governor's Highway Safety Program, up to the amount of one hundred sixty-eight thousand dollars (\$168,000) for fiscal year 1976-77, and this amount will not be a recurring appropriation.

—N. C. CENTRAL LAW BUILDING/CONTINGENT APPROPRIATION

**Sec. 58.** To assure insofar as possible the accreditation of the North Carolina Central University Law School, if the beginning General Fund credit balance for the 1976-77 fiscal year exceeds the amount of thirty million dollars (\$30,000,000) by one million dollars (\$1,000,000) or more, there is hereby appropriated to the Board of Governors of the University of North Carolina for the 1976-77 fiscal year the sum of one million dollars (\$1,000,000) to supplement the present 1975-77 appropriation of two million five hundred thousand dollars (\$2,500,000) for a Law School Building at North Carolina Central University. So much of this contingent appropriation of one million dollars (\$1,000,000) as shall not be required to award contracts on this building shall revert to the General Fund.

**Sec. 59.** (Text deleted)

—AMEND THE ADMINISTRATIVE PROCEDURES ACT AND  
RELATED STATUTES

**Sec. 60.** All amending provisions of Sections 61 through 67 of this act refer to Chapter 150A as it appears in North Carolina General Statutes 1975 Cumulative Supplement, Volume 3C.

**Sec. 61.** G.S. 150A-2(2) is hereby rewritten to read as follows: "Contested case" means any agency proceeding, by whatever name called, wherein the legal rights, duties or privileges of a party are required by law to be determined by an agency after an opportunity for an adjudicatory hearing. Contested cases include, but are not limited to proceedings involving rate-making, price-fixing and licensing. Contested cases shall not be deemed to include rule making, declaratory rulings, or the award or denial of a scholarship or grant.



**Sec. 62.** G.S. 150A-2(4) is hereby amended by adding at the end thereof the following sentence: "‘Licensing’ does not include controversies over whether an examination was fair or whether the applicant passed the examination."

**Sec. 63.** G.S. 150A-12 is hereby amended by adding at the end thereof a new subsection (f) which reads as follows: No rule-making hearing is required for the adoption, amendment or repeal of a rule which solely describes the organization of the agency or describes forms or instructions used by an agency.

**Sec. 64.** G.S. 150A-14 is hereby amended by changing the words "an agency of this State or of the United States" appearing in the third and fourth lines thereof to read "any other agency of this State or any agency of the United States."

**Sec. 65.** G.S. 150A-23(c) is hereby amended by changing the words "registered mail" wherever they appear within that subsection to read "certified mail".

**Sec. 66.** G.S. 150A-27 is hereby amended by adding at the end thereof the following: "However, State officials or employees who are subpoenaed shall not be entitled to any witness fees, but they shall receive their normal salary and they shall not be required to take any annual leave for the witness days. Travel expenses of State officials or employees who are subpoenaed shall be reimbursed as provided in G.S. 138-6."

**Sec. 67.** G.S. 150A-36 is hereby amended by changing the word "registered" on the next to the last line thereof to "certified".

**Sec. 68.** G.S. 75A-16 as the same appears in the 1975 Replacement Volume 2C of the General Statutes is hereby amended by deleting from the third and fourth lines thereof the phrase "and in the Office of the Secretary of State of North Carolina."

**Sec. 69.** G.S. 93-12(9) as the same appears in the 1975 Replacement Volume 2C of the General Statutes is hereby amended by deleting the sentence "The rule so adopted shall be publicized and a certified copy filed in the Office of the Secretary of State of North Carolina within sixty (60) days after adoption." and substituting therefor "The rules so adopted shall be publicized and filed in the Office of the Attorney General as provided by Chapter 150A."

**Sec. 70.** G.S. 113-221(a) as the same appears in the 1975 Replacement Volume 3A of the General Statutes is hereby amended by deleting the words "Secretary of State" in the third line thereof and substituting therefor the words "Attorney General".

**Sec. 71.** G.S. 113-301 as the same appears in the 1975 Replacement Volume 3A of the General Statutes is hereby amended by changing the words "Secretary of State" in the fourth line thereof to read "Attorney General".

**Sec. 72.** G.S. 143-215.20 as the same appears in the 1975 Cumulative Supplement of Volume 3C of the General Statutes is hereby amended by deleting the last sentence thereof and substituting therefor "All such rules and regulations, and modifications thereof, shall be filed with the Attorney General as required by Chapter 150A of the General Statutes."

**Sec. 73.** All amended provisions of Sections 74 through 78 refer to Chapter 113A as it appears in North Carolina General Statutes 1975 Replacement Volume 3A.

**Sec. 74.** G.S. 113A-54(f) is amended by deleting the second sentence thereof and substituting therefor the following: "All such rules and regulations shall upon adoption be filed with the Attorney General as required by Chapter



150A of the General Statutes, and copies thereof shall be filed with the several clerks of court of the counties of the State.” The same section is further amended by deleting the sentence “The Secretary shall codify the regulations and rules promulgated under this article and shall from time to time revise and bring up to date such codifications.”

**Sec. 75.** G.S. 113A-107(e) is amended by deleting therefrom, in the fourth line thereof, the words “Secretary of State” and substituting therefor the words “Attorney General”.

**Sec. 76.** G.S. 113A-107(f) is hereby amended by deleting the words “Secretary of State” on the eighth line thereof and substituting therefor the words “Attorney General”.

**Sec. 77.** G.S. 113A-114(b)(5) is hereby amended by deleting the words “Secretary of State” on the eighth line thereof and substituting therefor the words “Attorney General”.

**Sec. 78.** G.S. 113A-115(a)(4) is hereby amended by deleting the words “Secretary of State” on the fourth line thereof and substituting therefor the words “Attorney General”.

**Sec. 79.** G.S. 115-179.1(f) as the same appears in North Carolina General Statutes 1975 Replacement Volume 3A is hereby amended by striking the last sentence thereof and substituting therefor the following: “Copies of such rules shall be filed in the Office of the Attorney General as required by Chapter 150A.”

**Sec. 80.** G.S. 115-179.1(g) as the same appears in North Carolina General Statutes 1975 Replacement Volume 3A is hereby amended by deleting therefrom the words “Article 31, Chapter 134 of the General Statutes” and substituting therefor the words “Article 4, Chapter 150A of the General Statutes.”

**Sec. 81.** G.S. 95-131(a) as the same appears in North Carolina General Statutes 1975 Replacement Volume 2C by deleting the words “Secretary of State” on the sixteenth line thereof and substituting therefor the words “Attorney General”.

**Sec. 82.** G.S. 143-215.97(b) as the same appears in North Carolina General Statutes 1974 Replacement Volume 3C is hereby amended by deleting the words “Secretary of State as required by Article 18 of Chapter 143 of the General Statutes” appearing on the fourth and fifth lines thereof, and substituting therefor the words “Attorney General as required by Chapter 150A of the General Statutes.”

**Sec. 83.** G.S. 143-224(c) as the same appears in the North Carolina General Statutes 1974 Replacement Volume 3C is hereby amended by deleting the words “Office of the Secretary of State of North Carolina” appearing in the eighth and ninth lines thereof and substituting therefor the words “Office of the Attorney General of North Carolina.”

**Sec. 84.** G.S. 143-463(e) as the same appears in North Carolina General Statutes 1974 Replacement Volume 3C is hereby amended by deleting the words “Secretary of State” appearing on the sixth line thereof and substituting therefor the words “Attorney General”. G.S. 143-463(e) is further amended by striking the last sentence in its entirety.

**Sec. 85.** G.S. 122-16.1(b) as the same appears in North Carolina General Statutes 1974 Replacement Volume 3B is hereby amended by deleting the words “Office of the Secretary of State of North Carolina” appearing on the

sixteenth and seventeenth lines thereof and substituting therefor the words "Office of the Attorney General as required by Chapter 150A of the General Statutes."

—DRIVER TRAINING SPECIAL FUND

**Sec. 86.** Funds appropriated by Section 1 of this act to the State Board of Education, Department of Public Education, may be advanced to the special fund for Driver Training and Safety Education in accordance with Executive Budget Act procedure during the fiscal year 1976-77. However, when receipts from the sale of driver licenses which go into this special fund are sufficient to operate the Driver Training and Safety Education Program in the fiscal year 1976-77, any funds advanced to the special fund from the Department of Public Education shall be repaid from the special fund license receipts. Repayment shall be made during the fiscal year 1976-77.

—SHELTERED WORKSHOPS

**Sec. 87.** Funds of nine hundred ninety-nine thousand five hundred fifty-one dollars (\$999,551) appropriated in 1975 Session Laws Chapter 875 and 1975 Session Laws Chapter 932 for fiscal year 1976-77 to the Division of Mental Health Services, Department of Human Resources shall be expended as follows: Seven hundred seventy thousand eight hundred sixty-eight dollars (\$770,868) for services in sheltered workshops and two hundred twenty-eight thousand six hundred eighty-three dollars (\$228,683) for non-sheltered workshop adult developmental activity programs.

—PRE-KINDERGARTEN SCREENING

**Sec. 88.** In order to enhance the delivery of service in the pre-kindergarten screening program, the Department of Human Resources and the State Department of Public Instruction shall develop and enter into a cooperative agreement that delineates the responsibilities of each agency for this program. The agreement shall include definitions of screening services to be provided by the Department of Human Resources; the methods and procedures to be used by the Department of Human Resources to transmit the findings, with approval of the parent or guardian, to a local education agency or to other private child-serving agencies.

This agreement shall also include procedures and methods to be used by the Department of Human Resources and the State Department of Public Instruction to provide intervention services to the children identified as in need of services as a result of the initial screening processes. In order to ensure legislative oversight, this agreement shall be reviewed prior to completion by the Legislative Commission on Children with Special Needs. Copies of this agreement shall be filed in the offices of the Speaker of the House and Lieutenant Governor no later than February 1, 1977.

—KINDERGARTEN CLASS SIZE

**Sec. 89.** Funds are appropriated to the State Board of Education in Section 1 of this act for full implementation of the State's kindergarten program. The board is directed to authorize the enrollment of a maximum of 28 students in average daily membership per kindergarten class, and the board may permit temporary deviations from the maximum under the same rules and regulations provided by class size legislation for grades one through twelve.

It is the intent of this General Assembly that within two years, or by the fall of 1978, that the maximum number of students will be reduced back to 26 students per class. In this two-year interim, the State Board of Education and

Superintendent of Public Instruction shall take every action necessary to assure that the kindergarten program is not in any manner impaired.

**Sec. 90.** (Text deleted)

—BOARD OF GOVERNORS/OVER-ENROLLMENT

**Sec. 91.** There is appropriated to the Board of Governors of The University of North Carolina in Section 1 of this act, in addition to the appropriations made for the 1976-77 fiscal year by the General Assembly in 1975, the sum of four million three hundred twenty-five thousand dollars (\$4,325,000), which is to be a part of the 1976-77 "lump sum" appropriation to the board to aid in accommodating the anticipated over-enrollment in the system in the coming school year. The provisions of G.S. 116-11(9)(c) are reenacted and shall apply to this section as follows: The Advisory Budget Commission may, on recommendation of the board, authorize transfer of appropriated funds from one institution to another to provide adjustments for over-enrollment or under-enrollment or make any other adjustments among institutions that would provide for the orderly and efficient operation of the educational programs to serve students in the institutions.

—TRANSPORTATION PERSONNEL OFFICERS

**Sec. 92.** The amounts appropriated to the Department of Transportation in Section 2 of this act reflect reductions in the amounts appropriated to the department by 1975 Session Laws Chapter 875, and part of the reductions is represented by the elimination of 1976-77 fiscal year funding for the positions of Regional Personnel Officer and Division Personnel Officer in the department. During the 1976-77 fiscal year no funds available to the Department of Transportation shall be used to support a position of Regional Personnel Officer or Division Personnel Officer or a position with substantially the same job description or duties. No present employee with career status as defined in the State Personnel act, G.S. 126-5(e), may be demoted, transferred or dismissed in order to retain a person who held one of the eliminated Personnel Officer positions. A new section is added to G.S. Chapter 136, to read as follows:

"§ 136-14.2 *Division Engineer manage personnel.*—Except for general departmental policy applicable to all of the State the division engineer shall have authority over all divisional personnel matters and over department employees in his division making personnel decisions."

—INCREASE PAY FOR CONTRACT VENDORS SELLING LICENSE  
PLATES

**Sec. 93.** G.S. 20-63(h) authorizes and directs the Division of Motor Vehicles insofar as practicable to enter into commission contracts with persons, firms, etc., in localities throughout North Carolina to issue registration plates, registration certificates and certificates of title at a rate per registration plate as may be set by the General Assembly. The commission contract rate for fiscal year 1976-77 shall be forty cents (40¢) per registration plate, and the rate shall remain the same until changed by the General Assembly.

—STATE PERSONNEL STUDY LAW ENFORCEMENT  
CLASSIFICATION

**Sec. 94.** The Office of State Personnel is hereby directed to make a study of the salaries of all classifications of law enforcement officers of the State and, to make recommendations to the 1977 General Assembly such actions as may be

in the best interest of the State to bring the salaries among the various classifications into an equitable relationship.

—PRISON ENTERPRISES FUNDS TO GENERAL FUND

**Sec. 95.** Funds in the amount of one million two hundred fifty thousand dollars (\$1,250,000) currently in the prison enterprises fund shall be transferred to the General Fund as a nontax revenue July 1, 1976.

—CHAPLAINS FOR DEPARTMENT OF CORRECTION

**Sec. 95.1.** The Secretary of the Department of Correction is authorized and directed to utilize vacant positions in the Department of Correction to establish five additional chaplain positions in fiscal year 1976-77.

—RESERVE FUND/FOOD & CLOTHING FOR CORRECTIONS

**Sec. 96.** Five hundred thousand dollars (\$500,000) of the appropriation in Section 1 of this act to the Department of Correction for food, clothing and janitorial supplies in the fiscal year 1976-77 shall be placed in a reserve in that department and may be transferred from that reserve for only those purposes.

—REVERT CAPITAL IMPROVEMENTS/CORRECTIONS  
CONFINEMENT FACILITY

**Sec. 97.** Unallocated funds appropriated in Chapter 874 of the 1975 Session Laws to the Department of Correction for Replacement of Confinement Facilities shall revert to the General Fund on July 1, 1976.

—REVERT CAPITAL IMPROVEMENTS/CORRECTIONS WATER  
AND SEWER

**Sec. 98.** Unexpended funds of ninety-seven thousand dollars (\$97,000) appropriated in Chapter 1202 of the 1973 Session Laws to the Department of Correction for sewage and water connections shall revert to the General Fund on July 1, 1976.

—REVERT CAPITAL IMPROVEMENTS/JACKSON SCHOOL

**Sec. 99.** Unexpended funds appropriated in Chapter 523 of the 1973 Session Laws to Stonewall Jackson School for two cottages for 50 students each shall revert to the General Fund on July 1, 1976.

—REVERT CAPITAL IMPROVEMENT/YOUTH SERVICES

**Sec. 100.** Unexpended funds of one million seven hundred forty-one thousand seven hundred forty-five dollars (\$1,741,745) appropriated in 1973 Session Laws Chapter 1202 to the Department of Social Rehabilitation and Control, Office of Youth Services for capital improvement projects shall revert to the General Fund on July 1, 1976.

—REVERT CAPITAL IMPROVEMENTS/SAMARKAND MANOR

**Sec. 101.** Unexpended funds appropriated in Chapter 523 of the 1973 Session Laws to Samarkand Manor School for renovation of cottages shall revert to the General Fund on July 1, 1976.

—NORTH CAROLINA A&T STADIUM AND UNC CHARLOTTE DORM  
& PARKING/SELF-LIQUIDATING

**Sec. 102.** New subdivisions are added to Section 2 of 1975 Session Laws Chapter 725 as follows:

Add a new subdivision d. to subsection 4, North Carolina Agricultural and Technical State University, to read:

“d. Athletic Stadium

1,800,000”



Designate existing item "Outdoor Physical Education and Playing Fields" in subsection 8, The University of North Carolina at Charlotte, as subdivision a., and add new subdivisions b. and c. to read:

- "b. Construction of 250-student Dormitory 1,750,000
- c. Construction of parking facilities for 400 cars 720,000"

—DOROTHEA DIX HOSPITAL/NEW MALE WING PLANNING

**Sec. 103.** The Department of Human Resources has found it impractical to renovate the male wing at Dorothea Dix Hospital for which planning funds of one hundred thousand dollars (\$100,000) were appropriated in 1975-76. The department is authorized to use the unexpended balance of that appropriation for planning a new facility to replace the existing male wing.

—1975 SPECIAL BILL/HUMAN TISSUE DONATIONS

**Sec. 104.** Section 2 of 1975 Session Laws Chapter 974 is repealed, and thirty-five thousand dollars (\$35,000) is appropriated in Section 1 of this act from the General Fund to the Department of Human Resources for the Coordinated Human Tissue Donation Program during fiscal year 1976-77.

—1975 SPECIAL BILL/RECYCLING ADVISORY COUNCIL

**Sec. 105.** Section 2 of 1975 Session Laws Chapter 972 is repealed, and five thousand dollars (\$5,000) is appropriated in Section 1 of this act from the General Fund to the Department of Human Resources for support of the Advisory Council on Solid Waste Recycling, Resource Recovery, and Litter Control during fiscal year 1976-77.

—1975 SPECIAL BILL/NATIONAL GUARD TUITION ASSISTANCE

**Sec. 106.** Section 8 of 1975 Session Laws Chapter 917 is repealed, and one hundred fifty-six thousand dollars (\$156,000) is appropriated in Section 1 of this act from the General Fund to the Department of Military and Veterans Affairs for the purposes of 1975 Session Laws Chapter 917 during fiscal year 1976-77.

—1975 SPECIAL BILL/WESTERN CAROLINA CENTER

**Sec. 107.** 1975 Session Laws Chapter 969 is repealed.

—1975 SPECIAL BILL/BOARD OF EDUCATION PLANT OPERATION

**Sec. 108.** Chapter 941 of the 1975 Session Laws is amended by striking the last sentence of Section 1 and by substituting in lieu thereof the following:

"The one million six hundred thousand dollars (\$1,600,000) appropriated herein for the fiscal year 1975-76 shall be allotted to local boards of education by the State Board of Education. Of this amount, one million five hundred seventy thousand dollars (\$1,570,000) is for water, light, power and maintenance salaries, and thirty thousand dollars (\$30,000) is appropriated to provide support for one position of Consulting Engineer and supporting expenses in the State Board of Education, Division of Plant Operation."

—1975 SPECIAL BILL/INDIAN AFFAIRS COMMISSION

**Sec. 109.** Funds appropriated in Section 1 of this act to the Department of Administration include twenty thousand dollars (\$20,000) during fiscal year 1976-77 for the use of the North Carolina Commission of Indian Affairs.

—1975 SPECIAL BILL/SHELTERED WORKSHOPS

**Sec. 109.1.** Section 1 of the 1975 Session Laws, Chapter 932, is amended by deleting the last sentence and by substituting in lieu thereof the following:



“However, the monthly support per person shall not exceed a maximum of one hundred forty dollars (\$140.00).

—SPECIAL BILL/AGRICULTURAL EXTENSION SWINE  
SPECIALISTS

**Sec. 110.** There is included in the appropriations in Section 1 of this act, thirty-five thousand dollars (\$35,000) from the General Fund to the North Carolina State University - Agricultural Extension Service for Agriculture Extension Swine Specialists. These funds are to be used to continue provisions of Chapter 949 of the 1975 Session Laws to provide an agricultural extension area service specialist in southeastern North Carolina during 1976-77.

—1975 SPECIAL BILL/JUDICIAL SECRETARIES AND  
INVESTIGATIONAL ASSISTANTS

**Sec. 111.** Section 19 of 1975 Session Laws Chapter 956 is repealed, and one million seven hundred sixty-two thousand five hundred sixty-four dollars (\$1,762,564) is appropriated in Section 1 of this act from the General Fund to the Administrative Office of the Courts to carry out the provisions of 1975 Session Laws Chapter 956 during fiscal year 1976-77.

—1975 SPECIAL BILL/LAND RECORDS INFORMATION SYSTEM

**Sec. 112.** The one hundred fifty thousand dollars (\$150,000) appropriated to the Department of Administration in 1975 Session Laws Chapter 884 shall be expended by the department as follows:

Land records system project	
currently under way in	
Forsyth County	\$125,000
Study of Land Records	
Information Systems by	
the Legislative Research	
Commission	25,000

—HUMAN RELATIONS/REDUCE CENTRAL STAFF

**Sec. 112.1.** The amount appropriated to the Department of Administration in Section 1 of this act reflects in part a reduction of one hundred fifty thousand dollars (\$150,000) in the amount appropriated by 1975 Session Laws Chapter 875 to the department and represents a reduction in the size of the central staff of the Human Relations Commission.

**Sec. 112.2.** No field representative position of the Human Relations Commission shall be eliminated before the reduction in non-field positions located in Raleigh as a result of this reduced appropriation. No present field representative may be demoted, transferred or dismissed in order to retain a person who held a position which is eliminated from the central Raleigh staff of the commission. This provision does not apply to the commission's director and one secretary.

**Sec. 112.3.** The Fiscal Research Division is directed to make an interim study of the Human Relations Commission and report to the 1977 General Assembly its findings as to the effectiveness of the program.

—NEW DEPUTY CLERKS OF COURT

**Sec. 113.** In addition to the appropriation in Section 1 of this act and contingent on a change in court costs, one million six hundred forty-eight thousand six hundred seventy dollars (\$1,648,670) is appropriated from the General Fund to the Judicial Department to provide for 155 new deputy clerks of court, related cost, and equipment. This section shall not become effective

unless 1976 legislation is enacted to increase court costs (Article 28 of G.S. Chapter 7A).

The new positions shall be allocated to the clerks of the Superior Courts in the numbers and to the counties as follows:

Alamance	2	Franklin	1	Onslow	3
Alexander	1	Gaston	3	Orange	2
Anson	1	Gates	1	Pamlico	1
Ashe	1	Graham	1	Pasquotank	1
Avery	1	Granville	1	Pender	1
Beaufort	1	Greene	1	Perquimans	1
Bertie	1	Guilford	4	Person	1
Bladen	2	Halifax	2	Pitt	3
Brunswick	1	Harnett	1	Polk	1
Buncombe	3	Haywood	2	Randolph	2
Burke	2	Henderson	1	Richmond	1
Cabarrus	2	Hertford	1	Robeson	3
Caldwell	2	Hoke	1	Rockingham	2
Camden	1	Hyde	1	Rowan	2
Carteret	2	Iredell	2	Rutherford	1
Caswell	1	Jackson	1	Sampson	2
Catawba	3	Johnston	2	Scotland	1
Chatham	1	Jones	1	Stanly	2
Cherokee	1	Lee	1	Stokes	1
Chowan	1	Lenoir	2	Surry	2
Cleveland	2	Lincoln	1	Transylvania	1
Columbus	2	Macon	1	Tyrrell	1
Craven	2	Madison	1	Union	2
Cumberland	3	Martin	1	Vance	1
Currituck	1	McDowell	1	Wake	4
Dare	1	Mecklenburg	4	Warren	1
Davidson	2	Mitchell	1	Washington	1
Davie	1	Montgomery	1	Watauga	2
Duplin	1	Moore	1	Wayne	3
Durham	3	Nash	2	Wilkes	2
Edgecombe	2	New Hanover	2	Wilson	2
Forsyth	4	Northhampton	1	Yadkin	1

—ADDITIONAL ASSISTANT DISTRICT ATTORNEYS FOR 4TH, 9TH AND 30TH DISTRICTS

Sec. 114. The amounts appropriated to the Judicial Department in Section 1 of this act include funds for additional assistant district attorneys in the 4th, 9th and 30th judicial districts.

G.S. 7A-41 as it appears in the 1975 Cumulative Supplement to General Statutes Volume 1B is amended, in the table, by raising by one the number of authorized assistant district attorneys in the indicated districts. The new figures for the table shall be as follows:

"Judicial District	Number of Full-time Assistant District Attorneys
4	5
9	3
30	3"

—DISTRIBUTION OF COPIES OF SESSION LAWS AND OTHER STATE PUBLICATIONS

**Sec. 115.** G.S. 147-45 is hereby amended, in the distribution table, as follows:

Delete the figures "5, 5, 5" from line 26, under the heading "Schools and Hospitals", entitled "North Carolina Central University" and substitute in lieu thereof the figures "5, 5, 17".

Insert under the heading "Schools and Hospitals", immediately following the line beginning with the words "Atlantic Christian College", a new line to read as follows:

"Campbell College

5, 5, 17".

**Sec. 116.** In addition to the Appellate Division Reports heretofore published and distributed to North Carolina Central University pursuant to G.S. 147-45, 12 complete sets of the Appellate Division Reports heretofore published, insofar as the same are available and without necessitating reprinting, shall be furnished to North Carolina Central University. Five complete sets of the Public Laws, the Public-Local and Private Laws, and the Senate and House Journals heretofore published, and 17 complete sets of the Appellate Division Reports heretofore published, insofar as the same are available and without necessitating reprinting, shall be furnished to Campbell College.

—COMMUNITY COLLEGES/NEW PROGRAM OF NURSING EDUCATION

**Sec. 117.** There is included in the appropriations in Section 1 of this act from the General Fund to the Department of Community Colleges fifty thousand dollars (\$50,000) to be used for a new program of nursing education.

—DETENTION FACILITY FUNDS TO HUMAN RESOURCES

**Sec. 118.** Chapter 931 of the 1975 Session Laws appropriating one hundred fifty thousand dollars (\$150,000) to the Department of Administration during fiscal year 1976-77 for construction of a model detention facility is amended by striking "Department of Administration" and inserting in lieu thereof "Department of Human Resources, Division of Youth Services".

—ELIMINATE CHIEF DEPUTY SECRETARY IN ADMINISTRATION, COMMERCE, N&ER, MILITARY AND VETERANS AFFAIRS, AND DOT

**Sec. 119.** The amounts appropriated to the Department of Administration, the Department of Commerce, the Department of Natural and Economic Resources, the Department of Military and Veterans Affairs and the Department of Transportation in Section 1 and Section 2 of this act reflect reductions in the amounts appropriated to those departments by 1975 Session Laws Chapter 875, and part of these reductions is represented by the elimination of 1976-77 fiscal year funding for the position of chief deputy or chief assistant secretary in each department. During the 1976-77 fiscal year: (1) No funds available to the Department of Administration, the Department of Commerce, the Department of Natural and Economic Resources, the Department of Military and Veterans Affairs or the Department of Transportation shall be used to support a position of chief deputy or chief assistant secretary or a position with substantially the same job description or duties, and (2) No additional deputy or assistant secretary position shall be created by any of the departments. This section shall become effective

notwithstanding any contrary provision of G.S. 143A-8, G.S. 143A-9, G.S. 143B-9, G.S. 143B-10, or G.S. 143B-12, or any other contrary provision of law. No present employee with career status as defined by the State Personnel Act, G.S. 126-5(e), may be demoted, transferred, or dismissed in any of these departments in order to provide a position for a deputy secretary removed under this section.

—PUBLIC RELATIONS

**Sec. 120.** The appropriations in this act for the fiscal year 1976-77 reflect reductions in some State public relations programs used in whole or in part to publicize State agencies or officials. During the fiscal year 1976-77, no State agency shall transfer any funds or position from any other source to be used in any public relations program of this type.

—RENOVATIONS/STATE BUILDINGS

**Sec. 121.** Expenditures of one thousand dollars (\$1,000) or more per complete project from funds appropriated in Chapter 874 of the 1975 Session Laws for the Governmental Center and in Chapter 875 of the 1975 Session Laws for alterations and renovations of State office buildings shall require the prior approval of the Advisory Budget Commission, except that the commission may delegate the authority for this approval to the State Budget Office for projects costing one thousand dollars (\$1,000) or more but less than an amount to be stipulated by the commission.

—PAY FOR GOODS AND SERVICES DURING FISCAL YEAR  
ORDERED

**Sec. 122.** Each State department, institution, or agency shall make every reasonable effort to assure that purchase orders will be limited to goods necessary to operate in the fiscal year in which the appropriation for such purchase is authorized. Each State department, institution, or agency shall furnish the State Auditor and Department of Administration, by July 31 of each year, a statement of all obligations outstanding at the end of the previous fiscal year.

—GOVERNMENT OPERATIONS COMMISSION CHECK  
APPROPRIATIONS INTENT

**Sec. 123.** The Joint Legislative Commission on State Government Operations (Article 13 of G.S. Chapter 120) is hereby authorized to use its authority to insure that the intent of the General Assembly is carried out in the execution of the appropriations made for the 1976-77 fiscal year.

—BUDGET TRANSFERS

**Sec. 124.** A new section is added to the General Statutes to read as follows:

“§ 143-34.5. *Budget transfers.*—Every State department, institution, and agency shall provide to the Chairman of the Legislative Commission on Governmental Operations a copy of every approved budget transfer which permits the expenditure of funds for a purpose for which the General Assembly made no appropriation.”

—REVISE BENEFITS/LOCAL GOVERNMENTAL EMPLOYEES'  
RETIREMENT

**Sec. 125.** G.S. 128-21(5), as it appears in 1974 Replacement Volume 3B of the General Statutes, is hereby amended by striking out the word “five” in line 2 and inserting in lieu thereof the word “four”.



**Sec. 126.** The first four lines of G.S. 128-27(b4), as it appears in 1974 Replacement Volume 3B of the General Statutes, are rewritten to read as follows:

“(b4) Service Retirement Allowances of Members Retiring on or after July 1, 1973, but prior to July 1, 1976.—Upon retirement from service, in accordance with subsection (a) above, on or after July 1, 1973, but prior to July 1, 1976, a member shall receive a service retirement allowance computed as follows:”

**Sec. 127.** G.S. 128-27, as it appears in 1974 Replacement Volume 3B of the General Statutes, is further amended by the addition of a new subsection immediately after (b4) reading as follows:

“(b5) Service Retirement Allowances of Members Retiring on or after July 1, 1976.—Upon retirement from service, in accordance with subsection (a) above, on or after July 1, 1976, a member shall receive a service retirement allowance computed as follows:

(1) If the member's service retirement date occurs on or after his sixty-fifth birthday, regardless of his years of creditable service, or after the completion of 30 years of creditable service, such allowance shall be equal to one and one-half percent (1 1/2%) of his average final compensation, multiplied by the number of years of his creditable service.

(2a) If the member's service retirement date occurs on or after his sixtieth birthday but before his sixty-fifth birthday and prior to his completion of 30 or more years of service, his service retirement allowance shall be computed as in (1) above, but shall be reduced by one quarter of one percent (1/4 of 1%) thereof for each month by which his retirement date precedes the first day of the month coincident with or next following his sixty-fifth birthday.

(2b) If the member's service retirement date occurs before his sixtieth birthday and prior to his completion of 30 or more years of creditable service, his service retirement allowance shall be the actuarial equivalent of the allowance payable at the age of 60 years as computed in (2a) above.

(3) Notwithstanding the foregoing provisions, any member whose creditable service commenced prior to July 1, 1965, and uniformed policemen or firemen not covered under the Social Security Act employed thereafter, shall receive not less than the benefits provided by G.S. 128-27(b).”

**Sec. 128.** G.S. 128-27(t), as it appears in the 1975 Supplement to Volume 3B of the General Statutes, is amended by striking out the date “June 30, 1963” in line 6 and inserting in lieu thereof the date “June 30, 1965”.

**Sec. 129.** G.S. 128-30(b)(1), as the same appears in the 1974 Replacement Volume of the General Statutes, is hereby amended by inserting after the comma and before the word “the” in line 13 of the second paragraph the following: “and ending June 30, 1976,”.

**Sec. 130.** G.S. 128-30(b)(1), as it appears in 1974 Replacement Volume 3B of the General Statutes, is further amended by adding a new paragraph at the end to read as follows:

“Notwithstanding the foregoing, effective July 1, 1976, with respect to compensation paid on and after July 1, 1976, the rate of such deductions shall be six percentum (6%) of the compensation received by any member. Such rates shall apply uniformly to all members of the retirement system, irrespective of class.”



## —FOREIGN-TRADE ZONES

**Sec. 131.** From the appropriations made in this act to the Department of Natural and Economic Resources for the 1976-77 fiscal year, the department is authorized to expend the sum of twenty-five thousand dollars (\$25,000) for the purpose of enabling the department to coordinate a program for the establishment, operation, and maintenance of foreign trade zones as provided hereinafter.

**Sec. 132.** The General Statutes of North Carolina are amended by adding a new Chapter 55C to read as follows:

## “CHAPTER 55C. FOREIGN TRADE ZONES.

“§ 55C-1. *Public corporations authorized to apply for privilege of establishing a foreign trade zone.*—Any public corporation of the State of North Carolina, as that term is hereinafter defined is hereby authorized to make application for the privilege of establishing, operating and maintaining a foreign trade zone in accordance with an Act of Congress approved June 18, 1934, entitled, ‘AN ACT TO PROVIDE FOR THE ESTABLISHMENT, OPERATION AND MAINTENANCE OF FOREIGN TRADE ZONES IN PORTS OF ENTRY OF THE UNITED STATES,’ to expedite and encourage foreign commerce, and for other purposes.

“§ 55C-2. *Public corporation defined.*—The term ‘public corporation’ for the purposes of this Chapter, means the State of North Carolina or any political subdivision thereof, or any public agency of this State or any political subdivision thereof, or any public board, bureau, commission or authority created by the General Assembly.

“§ 55C-3. *Private corporations authorized to apply for privilege of establishing a foreign trade zone.*—Any private corporation hereafter organized under the laws of this State for the specific purpose of establishing, operating and maintaining a foreign trade zone in accordance with the Act of Congress referred to in G.S. 55C-1 is likewise authorized to make application for the privilege of establishing, operating and maintaining a foreign trade zone in accordance with the said Act of Congress.

“§ 55C-4. *Public or private corporation establishing foreign trade zone to be governed by federal law.*—Any public or private corporation authorized by this Chapter to make application for the privilege of establishing, operating, and maintaining said foreign trade zone, whose application is granted pursuant to the terms of the aforementioned Act of Congress is hereby authorized to establish such foreign trade zone and to operate and maintain the same subject to the conditions and restrictions of the said Act of Congress and any amendments thereto, and under such rules and regulations and for the period of time that may be prescribed by the board established by said Act of Congress to carry out the provisions of such Act. Any other provision of law notwithstanding, property which is located in a foreign trade zone established pursuant to this chapter shall be subject to ad valorem taxes.

## —CHANGE VENUE FOR SOME DISTRICT COURT HEARINGS

**Sec. 133.** Article 5A of Chapter 122 of the General Statutes is amended by adding a new section thereto following G.S. 122-58.7 to be numbered and to read as follows:

“§ 122-58.7A. *Venue of district court hearing when respondent held at regional facility pending hearing.*—(a) In all cases where the respondent is held at a regional mental health facility pending the district court hearing as provided in G.S. 122-58.6, unless the respondent through counsel objects to the

venue, the hearing required by G.S. 122-58.7 shall be held in the county in which the facility is located.

(b) An official of the facility shall immediately notify the clerk of superior court of the county in which the facility is located of a determination to hold the respondent pending hearing. That clerk shall request transmittal of all documents pertinent to the proceedings from the clerk of superior court with whom the proceedings were initiated. The requesting clerk shall assume all duties set forth in G.S. 122-58.5. The requesting clerk shall appoint as counsel for indigent respondents the counsel provided for in G.S. 122-58.12."

—ECONOMIZE IN CRIMINAL PROCEDURE/REMOVE UNJUSTIFIED  
PAPERWORK IN THE ADMINISTRATION OF CRIMINAL  
PROCEDURE

**Sec. 134.** G.S. 15A-131(f) is amended to read as follows:

"(f) For the purposes of this Article, pretrial proceedings are proceedings occurring after the initial appearance before the magistrate and prior to arraignment."

**Sec. 135.** G.S. 15A-141(3) is amended by deleting the following words:

" , or entering oral notice thereof in open court at the time of his initial appearance".

**Sec. 136.** G.S. 15A-301(a)(1) is amended to read as follows:

"(1) A record of each criminal process issued in the trial division of the General Court of Justice must be maintained in the office of the clerk."

**Sec. 137.** G.S. 15A-301(d)(4) is amended by adding at the end thereof the following sentence:

"If the process is a criminal summons, he may reissue it only upon endorsement of a new designated time and date of appearance."

**Sec. 138.** G.S. 15A-303(d) is amended by adding at the end thereof the following sentence:

"Except for cause noted in the criminal summons by the issuing official, an appearance date may not be set more than one month following the issuance or reissuance of the criminal summons."

**Sec. 139.** G.S. 15A-601(c) is amended by deleting the last two sentences and substituting in lieu thereof the following sentence:

"This subsection does not apply to a defendant whose first appearance before a district court judge has been set in a criminal summons pursuant to G.S. 15A-303(d)."

**Sec. 140.** G.S. 15A-601 is amended by adding a new subsection (d) to read as follows:

"(d) Upon motion of the defendant, the first appearance before a district court judge may be continued to a time certain. The defendant may not waive the holding of the first appearance before a district court judge but he need not appear personally if he is represented by counsel at the proceeding."

**Sec. 141.** G.S. 15A-511(a) is amended by adding a new subdivision (3) to read as follows:

"(3) If the defendant brought before a magistrate is so unruly as to disrupt and impede the proceedings, becomes unconscious, is grossly intoxicated, or is otherwise unable to understand the procedural rights afforded him by the initial appearance, upon order of the magistrate he may be confined or otherwise secured. If this is done, the magistrate's order must provide for an initial

appearance within a reasonable time so as to make certain that the defendant has an opportunity to exercise his rights under this Chapter.”

**Sec. 142.** G.S. 15A-521(c) is amended by deleting subdivision (4).

**Sec. 143.** G.S. 15A-630 is rewritten to read as follows:

“§ 15A-630. *Notice to defendant of true bill of indictment.*—Upon the return of a bill of indictment as a true bill the presiding judge must immediately cause notice of the indictment to be mailed or otherwise given to the defendant unless he is then represented by counsel of record. The notice must inform the defendant of the time limitations upon his right to discovery under Article 48 of this Chapter, Discovery in the Superior Court, and a copy of the indictment must be attached to the notice. If the judge directs that the indictment be sealed as provided in G.S. 15A-623(f), he may defer the giving of notice under this section for a reasonable length of time.”

**Sec. 144.** G.S. 15A-1026 is amended by deleting at the end of the first sentence the word “transcribed” and inserting in lieu of it the word “preserved”.

—STATE PORTS AUTHORITY/CONSTRUCT NEW TURNING BASIN  
AT MOREHEAD

**Sec. 145.** (Text deleted)

**Sec. 146.** The Governor and Advisory Budget Commission are authorized to establish a new dredging project to construct a ship turning basin at the Morehead City Port Terminal, if requested by the State Ports Authority, from existing available funds.

—LINE ITEMS IN THE RECOMMENDED 1977-79 BUDGET

**Sec. 147.** Except as otherwise provided in G.S. Chapters 115, 115A, and 116, the recommended budget for the 1977-79 biennium submitted by the Director of the Budget to the 1977 General Assembly shall be itemized to show by line item for each purpose, program, or subdivision thereof, the amount for salaries and fringe benefits; each reserve; each transfer; each appropriation which is budgeted for purchase of goods or services from another State budget code; each appropriation for State aid or State grants; supplies and equipment; consultant and contractual services; data processing and computer services; and any other line items of expenditure that may be required by the director, as well as the estimated amounts for all budgeted receipts related to each purpose, program, or subdivision thereof, itemized to indicate the character and source of each category of such receipts. The budget shall be accompanied by an itemized schedule of the additional positions recommended.

—RETAIN 1975 APPROPRIATIONS LIMITATIONS AND DIRECTIONS

**Sec. 148.** Except for the matters repealed by this act, the provisions of 1975 Session Laws Chapter 875, and the provisions of 1975 Session Laws Chapter 874, shall remain in effect.

**Sec. 149.** Notwithstanding any modifications by this act in the amounts appropriated, except where repealed, the limitations and directions in 1975 Session Laws Chapter 875 and 874 that applied to 1976-77 appropriations to particular agencies or for particular purposes shall apply to the newly enacted appropriations of this Act to those same particular agencies and for those same particular purposes.

—EFFECTIVE DATES

**Sec. 150.** Sections 60 through 85 of this act that relate to amendment of the Administrative Procedure Act, G.S. Chapter 150A and related G.S. sections,

shall become effective upon ratification. These sections are under the heading “—AMEND THE ADMINISTRATIVE PROCEDURES ACT AND RELATED STATUTES.”

**Sec. 151.** (Text deleted)

**Sec. 152.** All other provisions of this act shall become effective July 1, 1976.

In the General Assembly read three times and ratified, this the 14th day of May, 1976.





# RESOLUTIONS

H. R. 1289

## RESOLUTION 122

A JOINT RESOLUTION AUTHORIZING THE 1975 GENERAL ASSEMBLY, SECOND SESSION 1976, TO CONSIDER THE RECOMMENDATIONS OF THE NORTH CAROLINA PROFESSIONAL LIABILITY INSURANCE STUDY COMMISSION AND BILLS ON THAT SUBJECT.

*Be it resolved by the House of Representatives, the Senate concurring:*

**Section 1.** The 1975 General Assembly of North Carolina, Second Session 1976, is authorized to consider the recommendations contained in the March 12, 1976, Report of the North Carolina Professional Liability Insurance Study Commission along with bills on that subject to be introduced in each house of the General Assembly by the Chairman of the Committee on Insurance of that house.

**Sec. 2.** This resolution shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 4th day of May, 1976.

S. R. 955

## RESOLUTION 123

A JOINT RESOLUTION AUTHORIZING THE 1975 GENERAL ASSEMBLY, SECOND SESSION 1976, TO CONSIDER NOMINATIONS BY THE GOVERNOR TO FILL VACANCIES ON THE NORTH CAROLINA UTILITIES COMMISSION.

*Be it resolved by the Senate, the House of Representatives concurring:*

**Section 1.** The 1975 General Assembly of North Carolina, Second Session 1976, is authorized to consider nominations by the Governor to fill vacancies on the North Carolina Utilities Commission, the nominations being submitted to the General Assembly for confirmation pursuant to G.S. 62-10.

**Sec. 2.** This resolution shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 5th day of May, 1976.

H. R. 1285

## RESOLUTION 124

A JOINT RESOLUTION AUTHORIZING THE 1975 GENERAL ASSEMBLY, SECOND SESSION 1976, TO CONSIDER A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF ARTHUR WEBSTER THOMAS, JR., A FORMER MEMBER OF THE GENERAL ASSEMBLY.

*Be it resolved by the House of Representatives, the Senate concurring:*

**Section 1.** The 1975 General Assembly of North Carolina, Second Session 1976, is authorized to consider a joint resolution honoring the life and memory of Arthur Webster Thomas, Jr., a former member of the General Assembly.

**Sec. 2.** This resolution shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 11th day of May, 1976.

**H. R. 1307**

## **RESOLUTION 125**

**A JOINT RESOLUTION PROVIDING FOR A JOINT SESSION OR SESSIONS OF THE SENATE AND HOUSE OF REPRESENTATIVES TO ACT ON CONFIRMATION OF APPOINTMENTS MADE BY THE GOVERNOR TO MEMBERSHIP ON THE NORTH CAROLINA UTILITIES COMMISSION.**

Whereas, under the provisions of G.S. 62-10(f) appointments made by the Governor to fill vacancies in the membership of the North Carolina Utilities Commission are subject to confirmation by the General Assembly in joint session; and

Whereas, a vacancy on the Utilities Commission exists by reason of the resignation of a former member, and other vacancies are about to occur by reason of resignations; and

Whereas, the Governor has submitted to the presiding officers of the Senate and House of Representatives appointments to fill the existing and anticipated vacancies;

*Now, therefore, be it resolved by the House of Representatives, the Senate concurring:*

**Section 1.** The Senate Committee on Public Utilities and Energy and the House Committee on Public Utilities shall, in joint session, screen the appointee of the Governor for the existing vacancy, and the appointees for the anticipated vacancies if the committee deems such action appropriate, and shall report their recommendations developed in joint session to a joint session of the Senate and House of Representatives.

**Sec. 2.** The Senate and House of Representatives shall meet in the House Chamber in joint session or sessions on a date or dates to be fixed jointly by the President of the Senate and the Speaker of the House, to receive the report of their committees and for the purpose of voting on confirmation of the appointments of the Governor to fill existing vacancies and on the appointments to fill anticipated vacancies if the two houses deem such action appropriate.

**Sec. 3.** In the joint session of the Senate and House of Representatives for the purposes set out in Section 2 of this resolution, the roll of the Senate shall be called and the vote taken, then the roll of the House shall be called and the vote taken on the question of confirmation of each appointee, after which the vote in each house shall be tabulated and announced. Approval of a majority of each house shall be required for confirmation. Other proceedings in the joint session shall be governed by the Rules of the North Carolina House of Representatives in so far as those rules are applicable.

**Sec. 4.** In the event of failure of confirmation, the Governor shall be immediately notified and shall be requested to submit replacement appointees within two days after receipt of notification of the failure to confirm.

**Sec. 5.** This resolution shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 11th day of May, 1976.

## H. R. 1287

## RESOLUTION 126

A JOINT RESOLUTION AUTHORIZING THE CONSIDERATION OF A BILL ALLOWING FIRE PROTECTION TAX LEVIES TO BE APPROPRIATED IN ORDER TO SUPPLY RESCUE AND AMBULANCE SERVICES.

Whereas, many rural areas and communities within North Carolina are not expressly served by organizations providing rescue and ambulance assistance; and

Whereas, many such areas lie within special fire protection districts created pursuant to Article 3A of the General Statutes of North Carolina; and

Whereas, by virtue of the ready availability of fire protection funds, vehicles and personnel created by Article 3A, such resources have also been utilized in providing necessary ambulance and rescue services to the residents of said fire protection districts; and

Whereas, Resolution No. 121, ratified June 26, 1975, provided that "after ratification of a joint resolution passed by a two-thirds majority in each body, the Senate and House may also consider any matters authorized by that resolution";

*Now, therefore, be it resolved by the House of Representatives, the Senate concurring:*

**Section 1.** That the 1976 segment of the 1975 Session of the North Carolina General Assembly give consideration to a bill authorizing the expenditure of fire district tax levies for the funding of rescue and ambulance services in Buncombe County, and validating and confirming any monies previously so applied.

**Sec. 2.** This resolution shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 14th day of May, 1976.

## H. R. 1286

## RESOLUTION 127

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF ARTHUR WEBSTER THOMAS, JR., A FORMER MEMBER OF THE GENERAL ASSEMBLY FROM CABARRUS COUNTY.

Whereas, Arthur Webster Thomas, Jr. was fatally injured on September 21, 1975; and

Whereas, at the time of his death Art Thomas was a member of the North Carolina House of Representatives, having served in both the 1973 and 1975 sessions; and

Whereas, Art Thomas was born in Asheville, North Carolina, October 28, 1924, the son of the late Arthur W. Thomas, Sr., and Nancy Davis Thomas; was graduated from Concord High School in 1942, and from the University of North Carolina at Chapel Hill in 1947 with the degree of Bachelor of Science; and

Whereas, Art Thomas served in the United States Navy from 1942 to 1946; and

Whereas, Art Thomas gave freely of his time, energy and talents to virtually all aspects of life in his community; serving the Central United Methodist Church as Chairman of the Board of Trustees, Chairman of the Finance Committee, Superintendent of the Sunday School and as a member of

many committees; serving the business and economic life of his community and State as a member of the North Carolina Automobile Dealers Association, the North Carolina Merchants Association, as president of the Concord Chamber of Commerce and Merchants Association and of the Cabarrus County Automobile Dealers Association; serving in many civic capacities including president of the Concord Rotary Club, president of the Concord Jaycees, president of the Concord United Community Chest, president of the Cabarrus County Boys' Club, Advisory Board Chairman of the Salvation Army, Chairman of the Concord City School Board and of District 11, North Carolina School Boards Association, member of the Veterans of Foreign Wars Post 6480, of American Legion Post 51, as a Mason and Grant Orator of North Carolina, a Shriner, member of the Moose Lodge; and as a member of the North Carolina Farm Bureau, the American Horse Show Association and the American Saddle Horse Breeders Association; and

Whereas, Art Thomas was honored as Jaycee "Young Man of the Year" in 1954; and was one of the regional winners of the Time Magazine Quality Automobile Dealer award in the United States for 1975; and

Whereas, Art Thomas is survived by his widow, Betty Dorton Thomas who has been appointed to his seat in the House of Representatives, and their three children, Tina, Terre and Tom; and

Whereas, in the untimely death of Art Thomas, the General Assembly, Cabarrus County and the State of North Carolina have lost a much loved, admired and respected man;

*Now, therefore, be it resolved by the House of Representatives, the Senate concurring:*

**Section 1.** That the General Assembly of North Carolina expresses its deep appreciation for the life and accomplishments of Arthur Webster Thomas, Jr., and for the great service which he rendered to his community, to the State of North Carolina and to his nation.

**Sec. 2.** That the General Assembly of North Carolina extends its sympathy to the family of Arthur Webster Thomas, Jr., for the great loss they have suffered.

**Sec. 3.** That copies of this resolution shall be certified by the Secretary of State and transmitted to Mrs. Betty Dorton Thomas and to Tina, Terre and Tom Thomas.

**Sec. 4.** This resolution shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 14th day of May, 1976.

H. R. 1342

**RESOLUTION 128**

A JOINT RESOLUTION PROVIDING FOR ADJOURNMENT SINE DIE OF  
THE GENERAL ASSEMBLY ON FRIDAY, MAY 14, 1976, AT 4:00 P.M.

*Be it resolved by the House of Representatives, the Senate concurring:*

**Section 1.** Both the Senate and the House of Representatives constituting the General Assembly of 1975 do adjourn sine die on Friday, May 14, 1976, at 4:00 p.m., in memory of Arthur Webster Thomas, Jr., a former member of the General Assembly.

**Sec. 2.** This resolution shall take effect upon its ratification.

In the General Assembly read three times and ratified, this the 14th day of May, 1976.



STATE OF NORTH CAROLINA  
DEPARTMENT OF STATE,  
RALEIGH, AUGUST 29, 1975

I, THAD EURE, Secretary of State of North Carolina hereby certify that the foregoing volume was printed under the direction of the Legislative Services Commission from ratified acts and resolutions on file in the office of the Secretary of State.

A large, stylized handwritten signature in black ink, which appears to read "Thad Eure". The signature is written over a horizontal line.

*Secretary of State*


# APPENDIX

## EXECUTIVE ORDERS OF GOVERNOR JAMES E. HOLSHOUSER, JR.

Title	Number
AN EXECUTIVE ORDER AUTHORIZING THE GOVERNOR'S EFFICIENCY STUDY COMMISSION .....	I
AN EXECUTIVE ORDER ANNOUNCING THE APPOINTMENT OF WILLIAM M. BUCK AS ADJUTANT GENERAL OF NORTH CAROLINA .....	II
AN EXECUTIVE ORDER CREATING A NORTH CAROLINA LAND POLICY COUNCIL .....	III
(NUMBER IV NOT ISSUED)	
AN EXECUTIVE ORDER DESIGNATING COUNTIES CONSTITUTING THE NORTH CAROLINA COASTAL AREA ....	V
AN EXECUTIVE ORDER ESTABLISHING ADDITIONAL CRITERIA FOR ELIGIBILITY OF CERTAIN MEMBERS OF THE ENVIRONMENTAL MANAGEMENT COMMISSION ...	VI
AN EXECUTIVE ORDER ESTABLISHING A PLAN OF CIVIL PREPAREDNESS .....	VII
AN EXECUTIVE ORDER TRANSFERRING THE OFFICE OF CHILD DEVELOPMENT FROM THE NORTH CAROLINA DEPARTMENT OF ADMINISTRATION TO THE NORTH CAROLINA DEPARTMENT OF HUMAN RESOURCES AND THE STATE OFFICE OF ECONOMIC OPPORTUNITY FROM THE NORTH CAROLINA DEPARTMENT OF HUMAN RESOURCES TO THE NORTH CAROLINA DEPARTMENT OF ADMINISTRATION .....	VIII
AN EXECUTIVE ORDER TO ESTABLISH THE NORTH CAROLINA ORGANIZED CRIME PREVENTION COUNCIL .....	IX
AN EXECUTIVE ORDER CONCERNING THE COMMITTEE ON LAW AND ORDER .....	X
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# State of North Carolina

EXECUTIVE  DEPARTMENT

GOVERNOR JAMES E. HOLSHOUSER, JR.

EXECUTIVE ORDER NUMBER I

AN EXECUTIVE ORDER AUTHORIZING THE GOVERNOR'S EFFICIENCY  
STUDY COMMISSION

WHEREAS, it is vital to the economic well being of the State of North Carolina that its governmental services be organized and operated on a sound fiscal basis and that the people of the State be assured of efficient expenditure of their tax dollars; and

WHEREAS, it is felt that an efficiency study of state government should be conducted by the private sector of the State;

NOW, THEREFORE, I, James E. Holshouser, Jr., Governor of the State of North Carolina, do authorize the Governor's Efficiency Study Commission and do appoint Archie K. Davis, Chairman. To assist in this undertaking, I also authorize and empower the retaining of Warren King and Associates as consultants to the Study Commission.

I further authorize the formation of a non-profit corporation under the Chairman's leadership to carry out the intent of this Executive Order. The officers and directors of the corporation shall be appointed or elected as provided by law after consultation with the Governor.

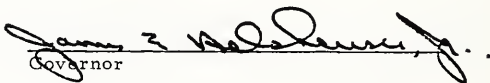
Representatives of the Study Commission and its consultants are authorized and empowered to make all inquiries necessary to ascertain the manner by which governmental services of the State of North Carolina may be afforded its citizens in the most efficient and expeditious manner.

Every office and employee of every agency of state government within my authority is directed to furnish representatives of the Study Commission and its consultants all necessary information concerning their respective agencies.


Upon completion of the work, representatives of the Study Commission shall render to the Governor a full report of their findings and recommendations.

This Executive Order shall be effective immediately and shall expire upon submission of the final report to the Governor.

IN WITNESS WHEREOF, I have subscribed my signature and have caused the Great Seal of the State of North Carolina to be affixed, this 16<sup>th</sup> day of January, 1973.

  
Governor

ATTEST

  
Secretary of State





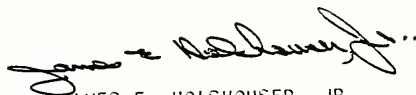
STATE OF NORTH CAROLINA  
GOVERNOR'S OFFICE  
RALEIGH 27611

JAMES E. HOLSHOUSER, JR.  
GOVERNOR

June 1, 1973

EXECUTIVE ORDER  
NUMBER 2

The appointment of WILLIAM M. BUCK, BG, LINE,  
NCARNG, as the Adjutant General of North Carolina with  
the rank of Major General is announced, effective 1 June 1973.

  
JAMES E. HOLSHOUSER, JR.  
Governor and Commander-in-Chief

# State of North Carolina

## EXECUTIVE DEPARTMENT



GOVERNOR JAMES E. HOLSHOUSER, JR.

EXECUTIVE ORDER NUMBER 3

### AN EXECUTIVE ORDER CREATING A NORTH CAROLINA LAND POLICY COUNCIL

WHEREAS, the proper planning and management of land resources is a subject of continuing concern throughout society and at all levels of government; and

WHEREAS, there is a need for coordination and marshalling of the resources of the Executive Branch of State Government concerning land use management and planning especially with regard to the management of state-owned lands;

It is hereby ordered:

Section One. North Carolina Land Policy Council. (a) There is hereby established the North Carolina Land Policy Council to develop proposals and programs, and to advise the Governor thereon, as specified in this Executive Order.

(b) The North Carolina Land Policy Council (hereinafter referred to as "the Council") shall include the principal officers of the following eight departments of State Government:

- (1) Administration
- (2) Agriculture
- (3) Cultural Resources
- (4) Commerce
- (5) Natural and Economic Resources

(6) Revenue

(7) Human Resources

(8) Transportation

(c) The Council shall also include by invitation the Lieutenant Governor and the Speaker of the State House of Representatives.

(d) The Secretary of the Department of Administration shall serve as Chairman. The Council shall select such other officers as it may deem appropriate.

(e) The Council shall report to the Governor its initial findings and recommendations on or before January 1, 1974 and shall make such further reports thereafter, at least semi-annually as it may deem appropriate.

(f) The Council may request and shall receive such staff services as it may deem necessary from any and all departments and agencies of State Government.

Sec. 2. State Land Management. - (a) As its initial responsibility the Council shall review and evaluate existing programs concerning the management of State-owned lands (hereinafter referred to as "State land management").

(b) In carrying out its responsibility under subsection (a) of this section the Council shall:

- (i) Inventory all State-owned lands and land management programs of all State departments and agencies.
- (ii) Review existing procedures for acquiring, administering and disposing of State-owned lands and existing plans for meeting needs for State land ownership.
- (iii) Review existing arrangements for interagency coordination concerning State land ownership and management, and for multiple uses of State-owned lands.
- (iv) Review arrangements for environmental protection and public use of State-owned lands.
- (v) Develop recommendations concerning the subjects enumerated in this subsection and related matters. In this connection the Council shall consider the needs of State agencies and

departments (as well as citizens and local governments and groups) not only as land managers but also as consumers of land services.

Sec. 3. Additional Functions of the Council. - (a) In addition to the functions specified in Section 2 of this Order the Council shall:

- (1) Consider and initiate steps to develop further components of an overall State land policy.
- (2) Consider and develop methods for identifying, inventorying and designating areas of environmental concern or particular public concern.
- (3) Consider and develop alternate forms or models for a State land classification system, and shall test or demonstrate one or more of said alternates in application to selected regions or areas.
- (4) Develop a system of information concerning the land resources of North Carolina, the characteristics of such resources, the conservation and preservation of such resources, and the use (both present and potential) of such resources for beneficial purposes.
- (5) Compile, analyze and evaluate existing North Carolina law and regulations concerning land use management.

(b) The Council shall consult with city, county and regional officials and with other interested persons and groups concerning its activities and responsibilities.

(c) All State departments and agencies shall cooperate with and assist the Council as requested. All local and regional governments and agencies are requested to assist the Council in such ways as may be mutually agreeable. The Council may employ consultants to conduct studies, analyses and tests incidental to the Council's work.

Sec. 4. The Council shall hold its first meeting on August 21, 1973 and shall meet on the call of the Chairman at least monthly thereafter.

Sec. 5. This Executive Order shall become effective immediately.

IN WITNESS WHEREOF, I have subscribed my signature and have caused the Great Seal of the State of North Carolina to be affixed, this

17th day of August, 1973.



*James E. McRae*  
GOVERNOR


ATTEST:

*M. C. Moore*  
Secretary of State



# State of North Carolina

## EXECUTIVE DEPARTMENT



GOVERNOR JAMES E. HOLSHOUSER, JR.

### EXECUTIVE ORDER NUMBER 5

#### AN EXECUTIVE ORDER DESIGNATING COUNTIES CONSTITUTING THE NORTH CAROLINA COASTAL AREA

WHEREAS, the Coastal Area Management Act of 1974 requires that the Governor, on or before May 1, 1974, designate the counties that constitute the "coastal area", as defined in GS 113A-103 (2) and that such designation is final and conclusive; and

WHEREAS, GS 113A-103 (2) of said Act states that any county that wholly or in part, is adjacent to, adjoining, intersected by or bounded by the Atlantic Ocean shall be part of the "coastal area"; and

WHEREAS, Brunswick, Carteret, Currituck, Dare, Hyde, New Hanover, Onslow and Pender Counties thus qualify to be included in the "coastal area"; and

WHEREAS, GS 113A-103 (2) and (3) further state that any county that wholly or in part, is adjacent to, adjoining, intersected by or bounded by any coastal sound and provide a detailed definition of "coastal sounds"; and

WHEREAS, following these criteria, and on the basis of the best available data concerning salt water encroachment in the coastal sounds provided by several sources including the United States Geological Survey, Beaufort, Bertie, Camden, Chowan, Craven, Gates, Hertford, Pamlico, Pasquotank, Perquimans, Tyrrell and Washington Counties qualify for inclusion in the "coastal area"; and

WHEREAS, I have taken into account the fact that the debates in the General Assembly concerning the definition of the coastal area and the floor amendments adopted in the House indicate a legislative intent to include only those counties major portions of which are included under the criteria outlined in GS 113A-103 (2) and (3);

NOW, THEREFORE, I, James E. Holshouser, Jr., Governor of the State of North Carolina, acting under the authority conferred upon me by the Coastal Area Management Act of 1974, make the following initial designations of counties in the coastal area: Beaufort, Bertie, Brunswick, Camden, Carteret, Chowan, Craven, Currituck, Dare, Gates, Hertford, Hyde, New Hanover, Onslow, Pamlico, Pasquotank, Pender, Perquimans, Tyrrell, and Washington.

This Executive Order shall be effective immediately and continue until superceded.

IN WITNESS WHEREOF, I have subscribed my signature and have caused the Great Seal  
of the State of North Carolina to be affixed, this 29th day of April, 1974.



  
Governor of North Carolina

Seal of the State of North Carolina

# State of North Carolina

## EXECUTIVE DEPARTMENT



GOVERNOR JAMES E. HOLSHOUSER, JR.

EXECUTIVE ORDER NUMBER VI

AN EXECUTIVE ORDER ESTABLISHING ADDITIONAL CRITERIA FOR  
ELIGIBILITY OF CERTAIN MEMBERS OF THE ENVIRONMENTAL MANAGEMENT  
COMMISSION

WHEREAS, North Carolina has applied to the U.S. Environmental Protection Agency for certification to participate in the National Pollutant Discharge Elimination System (NPDES) through the North Carolina Environmental Management Commission, Department of Natural and Economic Resources; and

WHEREAS, federal law and regulation require the members of any state board participating in the NPDES to meet certain conflict of interest criteria; and

WHEREAS, since the Environmental Management Commission has responsibilities unrelated to NPDES, application of said criteria to all members could deny the State valuable experience and expertise;

NOW, THEREFORE, pursuant to the authority vested in me by Section 20, Chapter 1262, 1973 Session Laws (2nd Session, 1974) it is hereby ordered:

Section 1. At least five (5) members of the Environmental Management Commission shall be persons who do not receive, or during the previous two years have not received, a significant portion of their income directly or indirectly from NPDES permit holders or applicants for a NPDES permit.

- (a) For the purposes of this section, the term "significant portion of his income" shall mean 10 percent of gross personal income for a calendar year, except that it shall mean 50 percent of gross personal income for a calendar year if the recipient is over 60 years of age and is receiving such portion pursuant to retirement, pension, or similar arrangement.

- (b) For the purposes of this section, the term "NPDES permit holders or applicants for a NPDES permit" shall not include any department or agency of a State government.
- (c) For the purposes of this section, the term "income" includes retirement benefits, consultant fees, and stock dividends.
- (d) For the purposes of this section, income is not received "directly or indirectly from NPDES permit holders or applicants for a NPDES permit" where it is derived from mutual-fund payments, or from other diversified investments over which the recipient does not know the identity of the primary sources of income.

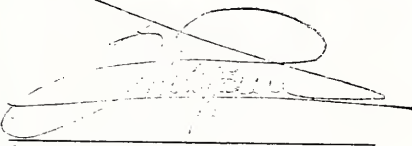
Section 2. This Executive Order shall become effective immediately.

IN WITNESS WHEREOF, I have subscribed by signature and have caused the Great Seal of the State of North Carolina to be affixed, this 20th day of August, 1974.



  
Governor of North Carolina

ATTEST:

  
\_\_\_\_\_  
Secretary of State

# State of North Carolina

## EXECUTIVE DEPARTMENT



GOVERNOR JAMES E. HOLSHOUSER, JR.

### EXECUTIVE ORDER NUMBER VII

WHEREAS, natural phenomena such as hurricanes, floods, tornadoes, ice, droughts, earthquakes, and man-made disasters such as explosions or major electric power failures are an ever-present danger; and

WHEREAS, potential enemies of the United States now possess the capability of launching attacks and unprecedented destruction upon this State and nation, from land, sea and air; and

WHEREAS, the North Carolina Emergency War Powers Act, N. C. G. S. 147-33.1 et seq., and the State Civil Defense Act of 1951, as amended, N. C. G. S. 166-1 et seq., confer upon the Governor comprehensive powers to be exercised in providing for the common defense and protection of the lives and property of the people of this State against both man-made and natural disasters; and

WHEREAS, the effective exercise of these emergency powers requires extensive initial planning, continuing revision of plans, and assignment of Civil Preparedness emergency functions prior to the occurrence of an emergency and the training of personnel in order to ensure a smooth, effective application of governmental functions to emergency operations; and

WHEREAS, these Civil Preparedness emergency functions are intended to be and can be accomplished most effectively through those established activities of State and local government whose normal functions relate to those emergency services which would be needed;



NOW, THEREFORE, it is hereby ordered:

1. That the Secretary of Military and Veterans Affairs, shall act as Advisor to the Governor on all Civil Preparedness activities under the jurisdiction of the State and its political subdivisions and in this capacity he shall act on behalf of the Governor as required in coordinating Civil Preparedness activities of the departments of the State Government. Every officer and organization of the State Government assigned Civil Preparedness emergency functions by this order or subsequent orders shall perform the said functions subject to the coordination and guidance of the Secretary of Military and Veterans Affairs, or his designee, and in accordance with Civil Preparedness programs and policies of the State and Federal Governments.
2. That State departments are to provide administrative and operational support and personnel for State Civil Preparedness activities in emergency situations as recommended by the Secretary of Military and Veterans Affairs, and upon approval of the Governor.
3. That the heads of all State Government departments shall review, develop plans, advise on, and administer policies, measures, and activities required to carry out an effective total Civil Preparedness Program.
4. That the head of each department, agency, commission or office of State Government that is charged with Civil Preparedness responsibilities shall designate personnel from said department, agency, commission, or office to perform liaison with all other components of State Government on matters pertaining to Civil Preparedness activities.

5. That the heads of State Government departments assigned Civil Preparedness emergency functions shall prepare procedures to procure from governmental and private sources all materials, manpower, equipment, supplies, and services which would be needed to carry out these assigned functions. Each agency of State Government shall cooperate with all other agencies of State Government to ensure availability of resources in an emergency.

6. That the Civil Preparedness emergency functions assigned to each State department, division, subdivision or agency are contained in a document entitled "North Carolina Disaster Relief and Assistance Plan of July 1, 1974," and the provisions of this document, including annexes attached thereto, and any revisions thereto, are specifically incorporated herein by reference.

7. That the heads of the departments of State Government and any other agencies designated in said plan are granted the authority and charged with the responsibility to execute upon order by the Governor the Civil Preparedness emergency functions assigned to them in said plan and are authorized to issue Administrative Orders to accomplish this responsibility.

8. That the Secretary of Military and Veterans Affairs, is hereby authorized to update and periodically revise this plan to the end that it will be at all times current and consistent with the functions, duties, and capabilities of a given department or agency.

9. That this order shall supersede and cancel all previous Executive Orders on this subject.


Done in my office in the Capital City of Raleigh, this the 20<sup>th</sup> day  
of August, in the year of our Lord, one thousand nine hundred seventy-four.



  
Governor of North Carolina

Seal of the State of North Carolina

# State of North Carolina

EXECUTIVE  DEPARTMENT

GOVERNOR JAMES E. HOLSHOUSER, JR.

EXECUTIVE ORDER NUMBER VIII

AN EXECUTIVE ORDER TRANSFERRING THE OFFICE OF CHILD DEVELOPMENT FROM THE NORTH CAROLINA DEPARTMENT OF ADMINISTRATION TO THE NORTH CAROLINA DEPARTMENT OF HUMAN RESOURCES AND THE STATE OFFICE OF ECONOMIC OPPORTUNITY FROM THE NORTH CAROLINA DEPARTMENT OF HUMAN RESOURCES TO THE NORTH CAROLINA DEPARTMENT OF ADMINISTRATION.

WHEREAS, Article III, Section 5 (10) of the Constitution of North Carolina authorizes and empowers the Governor to make such changes in the allocation of offices and agencies and in the allocation of those functions, powers, and duties as he considers necessary for efficient administration,

NOW, THEREFORE, I, James E. Holshouser, Jr., Governor of North Carolina, under and by virtue of the authority of Article III, Section 5(10) of the Constitution of North Carolina, do hereby order that the Office of Child Development shall forthwith be transferred from the North Carolina Department of Administration to the North Carolina Department of Human Resources, and

FURTHER, I, James E. Holshouser, Jr., Governor of North Carolina, under and by virtue of the authority of Article III, Section 5 (10) of the Constitution of North Carolina, do hereby order that the State Office of Economic Opportunity shall forthwith be transferred from the North Carolina Department of Human Resources to the North Carolina Department of Administration, and said transfer not to affect those powers and responsibilities reposed in the North Carolina Department of Human Resources by virtue of Chapter 1318 of the 1973 Session Laws, Second Session, 1974.

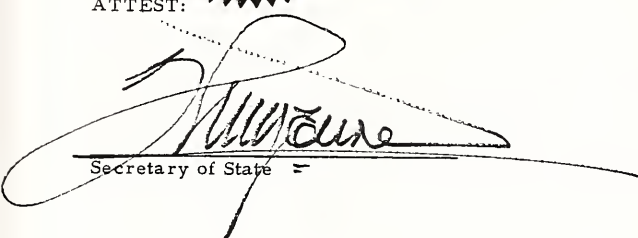
This Executive Order shall become effective immediately.

IN WITNESS WHEREOF, I have subscribed by signature and have caused  
the Great Seal of the State of North Carolina to be affixed, this 4th day  
of ~~August~~<sup>Sept.</sup>, 1974.



  
Governor of North Carolina

ATTEST:

  
Secretary of State



# State of North Carolina

## EXECUTIVE DEPARTMENT



GOVERNOR JAMES E. HOLSHOUSER, JR.

### AN EXECUTIVE ORDER TO ESTABLISH THE NORTH CAROLINA ORGANIZED CRIME PREVENTION COUNCIL

#### EXECUTIVE ORDER NO. IX

WHEREAS, the State of North Carolina recognizes that organized criminal activity annually draws billions of dollars from America's economy by unlawful conduct and the illegal use of force, fraud, and corruption; and

WHEREAS, organized criminal activity exists in all sections of the Nation, and its economic, political, and moral effects increasingly involve all Americans; and

WHEREAS, the prevention, detection, and control of organized criminal activity requires sophisticated research, planning, and coordination on the Statewide level; and

WHEREAS, under the "Omnibus Crime Control and Safe Street Act of 1968" the formation of a State Organized Crime Prevention Council is strongly recommended in developing and implementing a comprehensive strategy against organized crime and to effect the basic objective of preventing, detecting, and controlling organized criminal activity,

NOW, THEREFORE, I, James E. Holshouser, Jr., Governor of the State of North Carolina, by virtue of the power vested in me, do hereby recreate and establish the North Carolina Organized Crime Prevention Council. The purposes of the North Carolina Organized Crime Prevention Council are as follows

1. To update the comprehensive plan developed by the previous Council for the suppression of any organized criminal activity presently existing in the State of North Carolina to include such areas as extortionate credit transactions,

unlawful land speculation, infiltration of legitimate businesses, white collar crime, and other areas of organized criminal activity which were not covered in the previous Council's annual reports.

2. To revise the Council's reports submitted during 1972 in the areas of cigarette smuggling, narcotics and dangerous drugs, organized theft, stolen goods, gambling, as well as other areas which the Council deems necessary.

3. To report its findings to the Governor and appropriate Legislative Committees, and to advise such committees on recommended legislation to prevent and suppress organized criminal activity.

4. To foster the development of efficient systems for collecting and disseminating information relating to the control of organized criminal activity.

5. To develop programs to utilize citizen's groups, business organizations and news media to combat organized criminal activity.

6. To encourage the development of organized crime units in local law enforcement organizations in the State.

7. To assist the Justice Department in coordinating the activities of all law enforcement and prosecuting agencies in this State in the implementation of a comprehensive organized crime control program.

8. To act as liaison between selected federal, state and local officials in their efforts to foster interjurisdictional coordination.

The North Carolina Organized Crime Prevention Council shall meet as quickly as practicable following execution of this Order to reorganize by selecting an Executive-Secretary, who shall maintain a record of the proceedings of the Council, and by adopting operating procedures. The Council shall establish and appoint such operating or advisory committees or subcommittees as it deems necessary. The Council shall make an annual report and such other reports as it shall deem desirable to the Governor on the amount, nature, and significance of organized crime in North Carolina and shall make recommendations for legislation and administrative programs needed to combat organized crime. This annual report shall be made by January 31 of each year covering the preceding calendar year.

Members of the North Carolina Organized Crime Prevention Council shall serve without compensation, but shall be reimbursed from funds made available to it by the North Carolina Department of Justice for reasonable and necessary expenses incurred in the performance of their duties.

Staff for the North Carolina Organized Crime Prevention Council shall be provided by the North Carolina Department of Justice.

Members of the North Carolina Organized Crime Prevention Council shall serve for terms beginning this date and serving at the pleasure of the Governor.

The North Carolina Organized Crime Prevention Council shall be composed of the following:

1. The Attorney General of the State of North Carolina, or his designated representative, who shall serve as Chairman of the Council.
2. The Director of the State Bureau of Investigation or his designated representative.
3. One member of a police department from a metropolitan area of the State.
4. One member of a sheriff's department.
5. One member who is serving or has served as a Superior Court Solicitor.
6. Two at large members to be appointed by the Governor.

This Order shall be effective immediately.

Done at Raleigh, North Carolina, this the 7th day of September, in the year of our Lord, one thousand nine hundred seventy-four.



  
Governor of North Carolina

# State of North Carolina

## EXECUTIVE DEPARTMENT



GOVERNOR JAMES E. HOLSHOUSER, JR.

### EXECUTIVE ORDER NUMBER X

WHEREAS, the North Carolina General Assembly enacted the Executive Organization Act of 1971, Chapter 864, 1971 Session Laws which provided, in part, for the transfer of the Committee on Law and Order to the Department of Natural and Economic Resources; and

WHEREAS, the North Carolina General Assembly enacted the Executive Organization Act of 1973, Chapter 476, 1973 Session Laws; and

WHEREAS, the North Carolina General Assembly enacted legislation to further effectuate the organization of State Government recreating and reconstituting the Department of Natural and Economic Resources, Chapter 1262, 1973 (Second Session, 1974) Laws; and

WHEREAS, the North Carolina General Assembly appropriated \$1,784,920 to the Department of Natural and Economic Resources for use by the Committee on Law and Order (Chapter 1190, 1973 Session (Second Session, 1974) Laws; and

WHEREAS, the North Carolina General Assembly inadvertently repealed G. S. 143-321 (b) (2) which provided for the composition of the Committee on Law and Order; and

WHEREAS, the Congress of the United States has enacted the Crime Control Act of 1973 amending Title 1 of the Omnibus Crime Control and Safe Streets Act of 1968 as amended (Public Law 93-83, 93rd Congress, HR 8152) providing in Section 203 (a) that the State Law Enforcement and Criminal Justice Planning Agency "shall be created or designated by the Chief Executive of the State and shall be subject to his jurisdiction", and

WHEREAS, the Committee on Law and Order previously existing under the authority of G.S. 143-321 (b) (2) was the State Law Enforcement and Criminal Justice Planning Agency referenced in the Crime Control Act of 1973; and

WHEREAS, it is essential that a State Law Enforcement and Criminal Justice Planning Agency be recreated to accomplish the objectives of the Omnibus Crime Control and Safe Streets Act of 1968 as amended;

NOW, THEREFORE, I, JAMES E. HOLSHOUSER, JR., under and by authority vested in me as Governor of the State of North Carolina, do hereby order and direct as follows:

Section 1.

(a) The Committee on Law and Order has the following powers and duties as provided by G.S. 143-323 (b):

(1) to assist and participate with State and local law enforcement agencies to improve law enforcement and the administration of criminal justice;

(2) to make studies and recommendations for the improvement of law enforcement and the administration of criminal justice;

(3) to encourage public support and respect for law and order;

(4) to seek ways to continue to make North Carolina a safe and secure State for its citizens;

(5) to accept gifts, bequests, devises, grants, matching funds, and other considerations from private or governmental sources for use in promoting its work; and

(6) to make grants for use in pursuing its objectives, under such conditions as are deemed to be necessary.

(b) The Committee is authorized and empowered to adopt such rules and regulations, not inconsistent with the laws of this State, as may be required by the federal government for grants-in-aid for law and order purposes which may be made available for the State by the federal government. The Committee on Law and Order shall be the state agency responsible for establishing policy, planning and carrying out the state's duties with respect to all grants to the State by the Law Enforcement Assistance Administration of the United States Department of Justice. In



respect to such grants, the Committee shall have authority to review, approve and maintain general oversight of the State plan and its implementation, including subgrants and allocations to local units of government.

All decisions and grants heretofore made by the Committee on Law and Order shall remain in full force and effect unless and until repealed or superseded by action of the Committee on Law and Order established herein. All actions adopted by the Committee shall be enforced by the Administrator, Law and Order Section, Division of Community Assistance of the Department of Natural and Economic Resources,

Section 2.

The Committee on Law and Order of the Department of Natural and Economic Resources shall consist of twenty-six members appointed by the Governor, including the Governor. The composition of the Committee shall be as follows:

(a) Twelve ex-officio members of State Government including the Governor, the Attorney General, the Director of the State Bureau of Investigation, the Commander of the State Highway Patrol, the Secretary of Administration, the Chairman of the Human Relations Commission, the Director of the Administrative Office of the Courts, the Chairman of the Paroles Commission, the Secretary of Correction, the Secretary of Military and Veterans Affairs, the Secretary of Transportation, and the Director of Probation and Parole.

(b) Fourteen members appointed by the Governor which shall consist of one sheriff, two police executives, one judge of the superior court, one judge of the district court, one district attorney of the superior court, two citizens of the State with knowledge of juvenile delinquency, three officials representing local government, one attorney specializing in defense of criminal cases, and two citizens of the State who are not public officials. Appointments to the Committee shall be made to conform to requirements of federal legislation respecting the composition of the Committee and qualification for membership.

(c) The initial members of the Committee shall be the previously appointed members of the Committee on Law and Order who shall serve for a period equal to the remainder of their current terms on the Law and Order Committee, all of whose terms expire on June 30, 1975. The Governor shall thereafter appoint members, other than those serving ex-officio designated in section 2 (a), to serve three year staggered terms. Five shall be appointed for one-year terms, five for two-year terms, and four for three-year terms. At the end of their respective terms of office their successors shall be appointed for terms of three years and until their successors are appointed and qualified. Any appointment to fill a vacancy on the Committee created by the resignation, dismissal, death or disability of a member, or created by disqualification by virtue of a member no longer serving in the office from which he qualified for appointment, shall be for the balance of the unexpired term. The Governor may annually designate a member of the Committee to serve as its chairman, and vice chairman.

The Governor shall have the power to remove any member of the Committee from office for misfeasance, malfeasance or nonfeasance.

The Committee shall meet quarterly and at other times at the call of the chairman or upon written request of at least eleven of the members.

A majority of the Committee shall constitute a quorum for the transaction of business.

### Section 3.

(a) The Department of Natural and Economic Resources shall provide clerical and other services required by the Committee on Law and Order, and shall administer the state Law Enforcement Assistance Program and such additional related programs as may be established by or assigned to the Committee. Administrative responsibilities shall include, but are not limited to, the following:

(1) compile data, establish needs and set priorities for funding as policy recommendations for the Committee;

(2) prepare Statewide plans, for adoption by the Committee which are designated to improve systematically the administration

of criminal justice and the reduction of crime in North Carolina and revise them from time to time as may be appropriate;

(3) advise State and local interests of opportunities for securing Federal assistance for crime reduction and for improving criminal justice administration and planning within the State of North Carolina;

(4) stimulate and seek financial support from Federal, State, and local government and private sources for programs and projects which implement adopted criminal justice administration improvement and crime reduction plans;

(5) assist State agencies and units of general local government and combinations thereof in the preparation and processing of applications for financial aid to support improved criminal justice administration, planning, and crime reduction;

(6) encourage and assist in the coordination of programs and activities of the several interests in the criminal justice system at the Federal, State and local government levels in the preparation and implementation of adopted criminal justice administration improvements and crime reduction plans;

(7) apply for, receive, disburse and audit the use of funds received for the program from any public and private agencies and instrumentalities for criminal justice administration, planning, and crime reduction purposes;

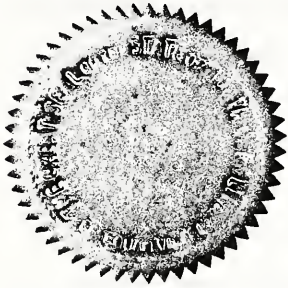
(8) enter into, monitor and evaluate the results contracts and agreements necessary or incidental to the discharge of responsibilities assigned;

(9) take such other actions as may be necessary and appropriate to carry out assigned duties and responsibilities.

(b) In accordance with Section 143B-10 (b) of the General Statutes of North Carolina and the request of the Secretary of Natural and Economic Resources, there is hereby established, within the Department of Natural and

Economic Resources the Law and Order Section. The Law and Order Section shall be organized and staffed in accordance with applicable laws and regulations and within the limits of authorized appropriations.

Done in the Capital City of Raleigh, North Carolina, this the 2nd day of October, in the year of our Lord, one thousand nine hundred seventy-four.



  
Governor of North Carolina

Seal of the State of North Carolina

# State of North Carolina

EXECUTIVE DEPARTMENT



GOVERNOR JAMES E. HOLSHOUSER, JR.

EXECUTIVE ORDER NUMBER XI

WHEREAS, the North Carolina Emergency War Powers Act, N.C. G.S. 147-33.1 et seq., and the State Civil Defense Act of 1951, as amended, N.C. G.S. 166-1 et seq., confer upon the Governor comprehensive powers to be exercised in providing for the common defense and protection of the lives and property of the people of this State against enemy attack; and

WHEREAS, the effective exercise of these emergency powers requires extensive initial planning, continuing revision of plans, the assignment of Civil Preparedness emergency functions, the provision of necessary supplies and equipment, and the staffing and training of personnel prior to the occurrence of an enemy attack in order to ensure a smooth, effective application of governmental functions to emergency operations; and

WHEREAS, these Civil Preparedness emergency functions are intended to be and can be accomplished most effectively through those established activities of State and local government whose normal functions relate to those emergency services which would be needed;

NOW, THEREFORE, it is hereby ordered:

1. That the recently updated Civil Preparedness war emergency functions assigned to each State department, division, subdivision or agency are contained in an interim document entitled "North Carolina Civil Preparedness Emergency Operations Plan for War of November 15, 1974" and the provisions of this document, including annexes attached thereto, and any revisions thereto, are specifically incorporated herein by reference.

2. That the Secretary of Military and Veterans Affairs, shall act as Advisor to the Governor on all Civil Preparedness activities under the jurisdiction of the State and its political subdivisions and in this capacity he shall act on behalf of the Governor as required in coordinating Civil Preparedness activities of the departments of the State Government. Every officer and organization of the State Government assigned Civil Preparedness emergency functions by this order or subsequent orders shall perform the said functions subject to the coordination and guidance of the Secretary of Military and Veterans Affairs, or his designee, and in accordance with Civil Preparedness programs and policies of the State and Federal Governments.

3. That State Departments are to provide administrative and operational support and personnel for State Civil Preparedness activities in emergency situations as recommended by the Secretary of Military and Veterans Affairs, and upon approval of the Governor.

4. That the heads of all State Government departments shall review, develop plans, advise on, and administer policies, measures, and activities required to carry out an effective total Civil Preparedness Program.

5. That the head of each department, agency, commission or office of State Government that is charged with Civil Preparedness responsibilities shall designate personnel from said department, agency, commission, or office to perform liaison with all other components of State Government on matters pertaining to Civil Preparedness activities.

6. That the heads of State Government departments assigned Civil Preparedness war emergency functions shall prepare procedures to procure from governmental and private sources all materials, manpower, equipment, supplies, and services which would be needed to carry out these assigned functions. Each agency of State Government shall cooperate with all other agencies of State Government to ensure availability of resources in an emergency.




7. That the heads of the departments of State Government and any other agencies designated in said plan are granted the authority and charged with the responsibility to execute upon order by the Governor the Civil Preparedness war emergency functions assigned to them in said plan and are authorized to issue Administrative Orders to accomplish this responsibility.

8. That the Secretary of Military and Veterans Affairs, is hereby authorized to update and periodically revise this plan to the end that it will be at all times current and consistent with the functions, duties, and capabilities of a given department or agency.

9. That this order shall supersede and cancel all previous Executive Orders relating to Civil Preparedness emergency operations for war.


Done in my office in the Capital City of Raleigh, this the 5th day of December, in the year of our Lord, one thousand nine hundred seventy-four.



  
Governor of North Carolina

Seal of the State of North Carolina

# State of North Carolina

EXECUTIVE  DEPARTMENT

GOVERNOR JAMES E. HOLSHOUSER, JR.

## EXECUTIVE ORDER NUMBER XII

WHEREAS, The General Assembly has enacted Chapter 433 of the 1971 Session Laws (G. S. 147-9.4) authorizing deferred compensation benefits for State employees; and

WHEREAS, No such benefits have yet been made available to State employees due to the complex nature of deferred compensation plans and the difficulty of coordinating simultaneous action among the departments and agencies of the State in obtaining and offering such plans; and

WHEREAS, It is desirable to provide coordination of the deferred compensation arrangements in which State employees may participate in order to assure the maximum benefits at retirement and favorable tax treatment; and

WHEREAS, It is desirable that a central authority be established to administer and coordinate such deferred compensation arrangements; and

WHEREAS, The Governor of North Carolina, as the State's Chief Executive Officer, should implement and encourage the adoption of a coordinated deferred compensation plan for the benefit of all State employees;

NOW, THEREFORE, I, James E. Holshouser, Jr., by virtue of the authority vested in me as Governor of the State of North Carolina, and in consonance with the will of the General Assembly, do hereby:

1. Authorize and direct the establishment of a North Carolina Public Employee Deferred Compensation Plan to implement and coordinate the benefits made available by G. S. 147-9.4.

2. Authorize and direct that such Plan shall be administered by a Board of Trustees.

3. Authorize and direct that the Board of Trustees of the North Carolina Public Employee Deferred Compensation Plan consist of the following persons, each to serve at the pleasure of the Governor:

- (a) The Secretary of Administration, ex officio, Chairman;
- (b) The State Treasurer, ex officio;
- (c) Two persons to be appointed from the number of State employees in general;
- (d) Three persons to be appointed from the general public;

4. Authorize and direct the Board of Trustees to establish and maintain a Public Employee Deferred Compensation Plan and Trust for use by participating agencies for administration of the deferred compensation agreements authorized by G.S. 147-9.4. Agencies shall be eligible to participate in the Plan pursuant to such rules as may be adopted by the Trustees for the purpose of efficient implementation of G.S. 147-9.4 and this Executive Order.

5. Authorize the Board of Trustees to:

- (a) Enter into agreements with a consultant and administrator to obtain professional guidance and assistance (without cost or obligation to the State or to the Board of Trustees) in establishing, maintaining and administering a Public Employee Deferred Compensation Plan for State employees.
- (b) Seek a ruling from the Internal Revenue Service concerning the Federal income tax consequences of participation in the deferred compensation agreements authorized by G.S. 147-9.4.
- (c) Take such further actions to carry out the objectives of the Plan and Trust as may be necessary, in accordance with this Order and State law.


6. Authorize the Chief Executive Officer of each state department, agency and wholly owned institution and/or instrumentality to:

(a) Designate the Board of Trustees as his agent duly authorized to enter into contracts with the employees to defer compensation as provided in G.S. 147-9.4.

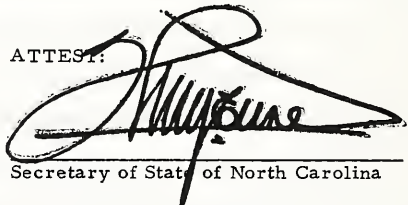
(b) Adopt the North Carolina Public Employee Deferred Compensation Plan and Trust Indenture, and any necessary regulations, procedures and forms promulgated in connection therewith.

Done in my office in the Capitol City of Raleigh, North Carolina, this the 12<sup>th</sup> day of November in the year of our Lord, one thousand nine hundred seventy-four.



  
Governor of North Carolina

ATTEST:

  
Secretary of State of North Carolina

Seal of the State of North Carolina

# State of North Carolina

## EXECUTIVE DEPARTMENT



GOVERNOR JAMES E. HOLSHOUSER, JR.

### EXECUTIVE ORDER NUMBER XIII

WHEREAS, the North Carolina General Assembly enacted the Executive Organization Act of 1971, Chapter 864, 1971 Session Laws which provided, in part, for the creation of the Department of Natural and Economic Resources; and

WHEREAS, the North Carolina General Assembly enacted the Executive Organization Act of 1973, Chapter 476, 1973 Session Laws; and

WHEREAS, the North Carolina General Assembly enacted legislation to further effectuate the Organization of State Government recreating and reconstituting the Department of Natural and Economic Resources, Chapter 1262, 1973 (second Session, 1974) Laws; and

WHEREAS, Article III, Section 5(10) of the Constitution of the State of North Carolina provides that the Governor may alter from time to time functions, powers, and duties of administrative departments previously prescribed by the General Assembly, provided that such changes that affect existing law should be set forth in executive orders, which shall be submitted to the General Assembly not later than the sixtieth calendar day of its session, and shall become effective and shall have the force of law upon adjournment sine die of the session, unless specifically disapproved by resolution of either house of the General Assembly or specifically modified by joint resolution of both houses of the General Assembly; and

WHEREAS, the Secretary of Natural and Economic Resources recommends the reorganization and redesignation of certain divisions and administrative units within the Department in accordance with Section 143B-10(b) of the General Statutes of North Carolina;

NOW, THEREFORE, I, JAMES E. HOLSHOUSER, JR., under and by authority vested in me as Governor of the State of North Carolina, do hereby order and direct as follows:

Section I.

The several divisions within the Department of Natural and Economic Resources are reorganized and redesignated as follows:

- (a) Division of Forest Resources
- (b) Division of Parks and Recreation
- (c) Division of Marine Fisheries
- (d) Division of Community Assistance
- (e) Division of Resource Planning and Evaluation
- (f) Division of Economic Development
- (g) Division of Environmental Management

Section II.

There is hereby established within the Department of Natural and Economic Resources the "North Carolina Science and Technology Research Center" at the Research Triangle.

- (a) The North Carolina Science and Technology Research Center has the following duties and functions as provided by G. S. 143-374, 375, 376, 377:

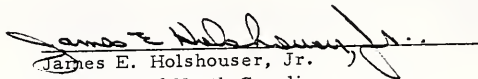
1. The activities of the North Carolina Science and Technology Research Center will be administered by the Department of Natural and Economic Resources.
2. The North Carolina Science and Technology Research Center is authorized and empowered to accept funds from private sources and from governmental and institutional agencies to be used for construction, operation and maintenance of the Center.

Section III.

The Secretary of Natural and Economic Resources shall effect this reorganization within the limits of authorized appropriations and in accordance with the provisions of the Executive Budget Act.



Done at Raleigh, North Carolina this twenty-first day of February,  
in the year of our Lord, one thousand nine hundred seventy-five.

  
James E. Holshouser, Jr.  
Governor of North Carolina

Seal of the State of North Carolina



# State of North Carolina

## EXECUTIVE DEPARTMENT



GOVERNOR JAMES E. HOLSHOUSER, JR.

### EXECUTIVE ORDER NUMBER XIV

WHEREAS, N. C. G. S. 127-9 provides that the Governor of the State of North Carolina shall be commander-in-chief of the state militia; and


WHEREAS, N. C. G. S. 127-12 provides that the military head of the state militia shall be the Adjutant General who shall hold the rank of major general; and

WHEREAS, N. C. G. S. 127-12 provides that the Adjutant General shall be appointed by the Governor in his capacity as commander-in-chief of the state militia, in consultation with the Secretary of Military and Veterans Affairs;

NOW, THEREFORE, I, James E. Holshouser, Jr., Governor of the State of North Carolina, do hereby appoint Clarence B. Shimer, BG, LINE, NCARNG, as the Adjutant General of North Carolina with the rank of Major General, effective 1 March 1975.

Done in my office in the Capital City of Raleigh, this the 28th day of February, in the year of our Lord, one thousand nine hundred seventy-five.



  
Governor of North Carolina  
Commander-in-Chief

# State of North Carolina

## EXECUTIVE DEPARTMENT



GOVERNOR JAMES E. HOLSHOUSER, JR.

### EXECUTIVE ORDER NUMBER XV

WHEREAS, the Executive Budget Act authorizes the Director of the Budget to determine whether buildings, repairs, alterations, additions or improvements to physical properties for which appropriations of State funds are made have been designed for the specific purpose for which such appropriations are made; that such projects have been designed giving proper consideration to economy in first cost, in maintenance cost, in material and type construction; and

WHEREAS, it is the policy of the State of North Carolina to insure that energy conservation practices are employed in the design and construction of State-owned facilities and those facilities designed and constructed using State appropriated funds in whole or in part; and

WHEREAS, design and construction practices may have a significant impact on:

1. The initial cost and long range operating and maintenance costs of facilities.
2. The aesthetic value of facilities.
3. Our environment.
4. The successful implementation of the program or services to be delivered with the facility; and

WHEREAS, the State of North Carolina must stay abreast of the latest technology in construction materials and methods and must utilize those building systems and components which prove to be in the best interest of the State; and

WHEREAS, the construction industry and the design profession is a strong source of information and technical data which would be in its capital improvement programs;

NOW, THEREFORE, I, JAMES E. HOLSHOUSE, JR., under and by the authority vested in me as Governor of the State of North Carolina and ex officio Director of the Budget, do hereby order and direct as follows:

1. That an "Advisory Panel on Design and Construction Practices" be established:

(a) to assist and participate with the Office of State Property and Construction of the Department of Administration to improve design and construction practices of the State and to improve administration of its capital improvements program;

(b) to make studies and recommendations to the Office of State Property and Construction for improvements in design and construction practices which may be adopted as policy by the Department of Administration;

(c) to encourage public support in the adoption of worthwhile policies;

(d) to seek ways to continue to improve the State capital improvements program.

2. The "Advisory Panel on Design and Construction Practices" shall consist of eleven members appointed by the Governor, the composition of the Panel to be as follows:

- (a) three members who are actively engaged in the construction of buildings as licensed Contractors;
- (b) three members who are actively engaged in the architectural profession as licensed and practicing Architects;
- (c) three members who are actively engaged in the engineering profession as licensed and practicing Professional Engineers;
- (d) one member who shall be the State Property and Construction Officer who shall be vice chairman; and
- (e) the Secretary of Administration who shall be ex officio chairman.

3. The Secretary of Administration is authorized and empowered to adopt such rules, practices, policies, and procedures, not inconsistent with the laws of this State, as may be appropriate to carry out this order and to implement the capital improvement program in an orderly and economical manner;

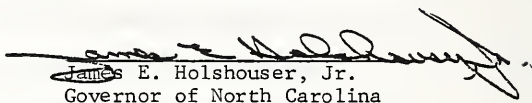
4. The Secretary of Administration may establish such sub-panels as he deems necessary and call upon trade associations and manufacturers within the building industry to provide advice and assistance.

5. The Secretary of Administration may pay members of the Advisory Panel and its sub-panels per diem and allowances as authorized by G.S. 138-5.

6. The Department of Administration shall provide clerical, printing and binding, and other services required by the Advisory Panel for the implementation of this order.

Done in the Capital City of Raleigh, North Carolina, this  
fourth day of December, in the year of our  
Lord, one thousand nine hundred seventy-five.



  
James E. Holshouser, Jr.  
Governor of North Carolina

Seal of the State of North Carolina



# State of North Carolina

## EXECUTIVE DEPARTMENT



GOVERNOR JAMES E. HOLSHOUSER, JR.

### EXECUTIVE ORDER NUMBER XVI

WHEREAS, it is the policy of the United States of America and the State of North Carolina to protect and enhance the historical and cultural heritage of our people, State, and Nation; and

WHEREAS, this policy is evidenced in State and Federal legislation relating to the protection of historical and cultural resources (Public Laws 59-209, 74-292, 85-31, 89-665, 91-190, 93-291, 23-283; Executive Order 11593; 36 CFR 800; and General Statutes 70, 113-229, 113A, 121 Article 3, 121-12, 136-42.1);

NOW, THEREFORE, I, James E. Holshouser, Jr., under and by the authority vested in me as Governor of the State of North Carolina, do hereby order and direct as follows:

Section 1. Policy. The Government of North Carolina shall provide leadership in preserving, restoring and maintaining the historical and cultural environment of the State. Agencies of the executive branch of the Government (hereinafter referred to as "State Agencies") should (1) administer the historical and cultural properties under their control in a spirit of stewardship and trusteeship for future generations, (2) initiate measures necessary to direct their policies, plans and programs

in such a way that State owned buildings, structures, sites, districts and objects of historical, architectural, or archaeological significance are preserved, restored and maintained for the inspiration and benefit of the people, and (3) in consultation with the North Carolina Historical Commission (G.S. 121-12), institute procedures to assure that State plans and programs contribute to the preservation and enhancement of non-State owned buildings, structures, sites, districts and objects of historical, architectural, or archaeological significance.

Section 2. Responsibilities of State agencies. Consonant with the provisions of the acts cited in the first paragraph of this order, the heads of State agencies should:

- (a) cooperate fully with the North Carolina Historical Commission and the State Historic Preservation Officer (appointed by the Governor pursuant to P. L. 89-665) in the implementation of all laws, statutes, orders, rules and regulations adopted according to federal or state law relating to the protection and enhancement of the historical and cultural environment.
- (b) with the advice of the North Carolina Historical Commission locate, inventory, and provide to the North Carolina Historical Commission a listing of all buildings, structures, sites, districts, and objects under their jurisdiction or control that appear to qualify for inclusion in the National Register of Historic Places. This listing should be completed by July 1, 1978.

- (c) exercise caution during the interim period until inventories and evaluations required by subsection (b) are completed to assure that any State owned property that might qualify for nomination is not inadvertently transferred, sold, demolished or substantially altered. The agency head should refer any questionable actions to the North Carolina Historical Commission for an opinion respecting the property's eligibility for inclusion in the National Register of Historic Places.
- (d) initiate measures to assure that where as a result of State action, assistance, or license a property listed in the National Register of Historic Places is to be substantially altered or demolished, timely steps be taken to make or have made records, including measured drawings, photographs and maps of the property, and that copy of such records then be deposited in the State Archives for future reference and use. Agencies may call on the Secretary of the North Carolina Historical Commission for advice and technical assistance in the completion of the above records.
- (e) initiate measures and procedures to provide for the maintenance, through preservation, rehabilitation, or restoration, of State owned and registered sites to professional standards prescribed by the North Carolina Historical Commission.

- (f) submit procedures adopted pursuant to subsection (e) to the North Carolina Historical Commission no later than January 1, 1977, and annually thereafter, for review and comment.
- (g) cooperate with purchasers and transferees of State owned properties listed in the National Register of Historic Places in the development of viable plans to use such property in a manner compatible with preservation objectives and which does not result in an unreasonable economic burden to public or private interests.

Section 3. Responsibilities of the North Carolina Historical Commission. The North Carolina Historical Commission shall:

- (a) encourage State officials to evaluate and survey State owned historic properties and, where appropriate, to assist the North Carolina Historical Commission in nominating such properties for listing in the National Register of Historic Places.
- (b) develop criteria and procedures to be applied by State agencies in the reviews and preparation of the listing required by section 2 (b). Such criteria and procedures shall be developed in consultation with the affected agencies.
- (c) expedite action upon nominations to the National Register of Historic Places concerning State owned

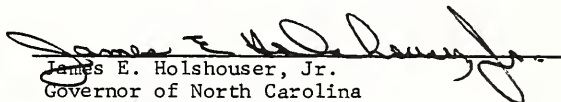
properties proposed for sale, transfer, demolition or substantial alteration.

- (d) furnish information upon request to State agencies regarding their properties which have been evaluated with respect to historical, architectural or archaeological significance and which, as a result of such evaluations, have not been found suitable for listing in the National Register of Historic Places.
- (e) develop and make available to State agencies information concerning professional methods and techniques for preserving, improving, restoring and maintaining historic properties.
- (f) advise State agencies in the evaluation, identification, preservation, improvement, restoration and maintenance of historic properties.
- (g) review and evaluate the plans of transferees of surplus State properties transferred for historic monument purposes to assure that the historic character of such properties is preserved in rehabilitation, restoration, improvement, maintenance and repair of such properties.
- (h) review and comment upon State agency procedures submitted pursuant to section 2 (e) of this order.

Done in the Capital City of Raleigh, North Carolina, this

3rd day of May, in the year of our Lord, one thousand nine hundred seventy-six.



  
James E. Holshouser, Jr.  
Governor of North Carolina

# State of North Carolina

## EXECUTIVE DEPARTMENT



GOVERNOR JAMES E. HOLSHOUSER, JR.

### EXECUTIVE ORDER NUMBER XVII

WHEREAS, the Comprehensive Employment and Training Act of 1973 (P. L. 93-203) and the Emergency Jobs and Unemployment Act of 1974 (P. L. 93-567) established a flexible and decentralized system of Federal, State, and local programs to provide job training and employment opportunities for the economically disadvantaged, the unemployed, and the underemployed citizens of North Carolina; and

WHEREAS, pursuant to 40 CFR 95-12, the Governor of the State of North Carolina has been designated by the U. S. Department of Labor as the North Carolina Balance of State Prime Sponsor for comprehensive manpower services under Title I of the CETA; and

WHEREAS, Section 107 of Public Law 93-203 requires each prime sponsor to establish a State Manpower Services Council; and

WHEREAS, existing state law does not meet the federal requirements of a State Manpower Services Council; and

WHEREAS, the continued availability of funds under CETA is contingent upon the establishment of a State Manpower Services Council; and

NOW, THEREFORE, I, James E. Holshouser, Jr., Governor of the State of North Carolina, by virtue of the power vested in me, in Article III, § 5(10) of the North Carolina Constitution, do hereby create and establish the North Carolina State Manpower Services Council.



Section 1. The North Carolina State Manpower Services Council shall have the following functions and duties:

- (1) To review the plans and modifications of plans of all prime sponsors within the State and to comment thereon.
- (2) To review all state agency plans for providing services to prime sponsors and to comment thereon.
- (3) To make recommendations to prime sponsors, state agencies, the Governor, and the general public on improving the coordination and effectiveness of manpower services within the State.
- (4) The Council shall adopt reasonable procedures governing the monitoring of prime sponsors and state agencies.
- (5) In accordance with the procedures adopted pursuant to subsection (4) above, to monitor continuously:
  - (a) The operation of programs conducted by prime sponsors in the state, and
  - (b) The availability, responsiveness, adequacy and effective coordination of state services provided by all manpower-related agencies.

Monitoring shall include an emphasis upon reviewing statewide and inter-prime sponsor issues of utilization and coordination of manpower resources of state agencies and the coordination of plans and operations in contiguous areas.

- (6) The Council shall submit an annual report to the Governor and shall issue such other studies, reports, or documents to the Governor and other prime sponsors as it believes necessary.

- (7) To advise the Governor or his designee upon any matter which they may refer to it relating to Manpower Services.

Section 2. The North Carolina Manpower Services Council shall consist of twenty-four members appointed by the Governor. The composition of the Council shall be as follows:

- (a) Seven members representing prime sponsors and who have been nominated by the chief executive officers of such prime sponsors.
- (b) Chairman of Balance of State Manpower Planning Council.
- (c) A representative of the Department of Human Resources.
- (d) A representative of the Employment Security Commission.
- (e) A representative of the State Board of Education.
- (f) A representative of the Department of Administration.

The additional membership of the Council shall be appointed from representatives of organized labor, business and industry, the general public, community based organizations, veterans, and population to be served under CETA, and other members designated by the Governor.

The Governor shall designate a member of the Council to serve as chairman.

Members of the Council shall serve at the pleasure of the Governor.

The Council shall meet at least quarterly and at other times at the call of the chairperson or upon written request of the majority of the members.

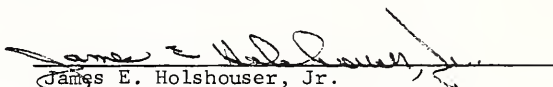
A majority of the Council shall constitute a quorum for the transaction of business.

Members of the Council shall receive per diem and necessary travel and subsistence expenses in accordance with the provisions of G.S. 138-5.

Section 3. The Office of Employment and Training of the Department of Administration shall provide such staff services as may be necessary for the Council to perform the functions and duties delegated to it pursuant to this Order.

Done in the Capital City of Raleigh, North Carolina, this  
12th day of May, in the year  
of our Lord, one thousand nine hundred seventy-six.



  
James E. Holshouser, Jr.  
Governor of North

Seal of the State of North Carolina

# State of North Carolina

EXECUTIVE



DEPARTMENT

GOVERNOR JAMES E. HOLSHOUSER, JR.

## EXECUTIVE ORDER NUMBER XVIII

WHEREAS, the Comprehensive Employment and Training Act of 1973 (P. L. 93-203) and the Emergency Jobs and Unemployment Assistance Act of 1974 (P. L. 93-567) established a flexible and decentralized system of Federal, State, and local programs to provide job training and employment opportunities for the economically disadvantaged, the unemployed, and the underemployed citizens of North Carolina; and

WHEREAS, pursuant to 40 CFR 95-12, the Governor of the State of North Carolina has been designated by the U. S. Department of Labor as the North Carolina Balance of State Prime Sponsor for comprehensive manpower services under Title I of the CETA; and

WHEREAS, Section 104 of Public Law 93-203 requires each prime sponsor to establish a Manpower Planning Council; and

WHEREAS, existing state law does not meet the federal requirements of a Manpower Planning Council; and

WHEREAS, the continued availability of funds under CETA is contingent upon the establishment of a Balance of State Manpower Planning Council; and

NOW, THEREFORE, I, James E. Holshouser, Jr., Governor of the State of North Carolina, by virtue of the power vested in me in Article III, Section 5 (10) of the North Carolina Constitution do hereby create and establish the North Carolina Balance of State Manpower Planning Council.

Section 1. The North Carolina Balance of State Manpower Council shall have the following functions and duties:

- (1) To advise the Governor or his designee in the setting of basic goals, policies and procedures for all manpower programs as designated by the Governor within geographic areas under the jurisdiction of the balance of state prime sponsor.
- (2) To make recommendations regarding program plans, and provide a continuing analysis of needs for employment, training, and related services within the jurisdiction of the balance of state prime sponsor.
- (3) To monitor all manpower programs designated by the Governor pursuant to sub-section (1) above.
- (4) To recommend procedures for evaluating programs designated by the Governor. Where these programs involve other state agencies, these recommendations shall be developed in cooperation with such agencies and the Council shall advise the Governor as to the implementation of these evaluative procedures.
- (5) The Council shall adopt reasonable procedures which it shall follow in performing the functions and duties assigned to it in this Order.

Section 2. The Balance of State Manpower Planning Council shall consist of nineteen members appointed by the Governor. The composition of the Council shall be as follows:

- (a) A representative of the State Board of Education, a representative of the Employment Security Commission, a representative of the Department of Administration.
- (b) Three representatives of Lead Regional Organizations.

(c) Thirteen members appointed by the Governor representing to the extent practical the participant community, veterans, community based organizations, women's organizations, training agencies, business, organized labor, agriculture, and minority groups.

The Governor shall designate a member of the Council to serve as Chairman.

Members of the Council shall serve at the pleasure of the Governor.

The Council shall meet at least quarterly and at other times at the call of the chairman or upon written request of a majority of the members.

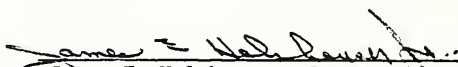
A majority of the Council shall constitute a quorum for the transaction of business.

Members of the Council shall receive per diem and necessary travel and subsistence expenses in accordance with the provisions of G.S. 138-5.

Section 3. The Office of Employment and Training of the Department of Administration shall provide such staff services as may be necessary for the Council to perform the functions and duties delegated to it pursuant to this Order. The Office of Employment and Training shall administer the Balance of State Manpower Services Program under the direction of the Governor.

Done in the Capital City of Raleigh, North Carolina, this 12th day of May, in the year of our Lord, one thousand nine hundred seventy-six.




  
James E. Holshouser, Jr.  
Governor of North Carolina



# State of North Carolina

## EXECUTIVE DEPARTMENT



GOVERNOR JAMES E. HOLSHOUSER, JR.

### EXECUTIVE ORDER NUMBER XIX

WHEREAS, the National Health Planning and Resource Development Act of 1974 (Public Law 93-641) amended the Public Health Service Act to provide for the development of a national health planning policy to augment State and area planning for health services, manpower and facilities; and

WHEREAS, the Department of Human Resources has been designated as the health planning and development agency for the State of North Carolina; and

WHEREAS, the designated State Health Planning and Development Agency is required to seek advice from a Statewide Health Coordinating Council pursuant to the provisions of Public Law 93-641; and

WHEREAS, state law does not provide for such an advisory body;

NOW, THEREFORE, I, James E. Holshouser, Jr., Governor of the State of North Carolina by virtue of the power vested in me, do hereby create and establish under the auspices of the Department of Human Resources a Statewide Health Coordinating Council to be known as the North Carolina Health Coordinating Council.

Section 1. The North Carolina Health Coordinating Council shall have the following functions and duties:

1. The North Carolina Health Coordinating Council shall review and approve or disapprove the State Health Plan which shall be prepared annually by the State Health Planning and Development Agency. This plan shall incorporate the Health Systems Plans from the health systems agencies, revised as necessary by the North Carolina Health Coordinating Council to achieve appropriate coordination and to deal more effectively with the statewide health needs.

2. To review and approve or disapprove the Medical Facilities Plan as being consistent with and a part of the State Health Plan.

3. To review annually and coordinate the health plans of the health systems agencies, and report to the Secretary of the Department of Health, Education and Welfare its comments on all health systems plans and annual implementation plans.

4. To advise the Department of Human Resources and the Secretary generally in their role as the State Health Planning and Development Agency.

5. To review annually and comment to the Secretary of the U. S. Department of Health, Education and Welfare on the budget of the respective Health Systems Agencies.

6. To review and make comment and recommendations to the Governor, through the Secretary of the Department of Human Resources, on any and all applications for designation of the health systems agencies.

7. To review and approve or disapprove state plans and applications for funding to include grants, as specified in P.L. 93-641 and as may be specified for its review by other pertinent federal health legislation.

Section 2. The North Carolina Health Coordinating Council shall consist of forty (40) members which shall be appointed by the Governor as follows:

A. No fewer than four (4) members will be appointed from a list of at least eight nominees submitted to the Governor by each of the health systems agencies designated for health services areas which fall, in whole or in part, within the State.

- (1) Each health systems agency shall be entitled to the same number of representatives on the North Carolina Health Coordinating Council.
- (2) Of the four representatives of any health systems agency, not less than two shall be individuals who are consumers of health care and who are not providers of health care.
- (3) Each health systems agency shall submit to the Governor a list of nominees numbering at least twice the number of representatives to which the health systems agency is entitled.
- (4) Each person nominated for or appointed to the North Carolina Health Coordinating Council shall have his principal place of residence in the state of North Carolina.

B. In addition to appointments made under paragraph A of this Section, the Governor may appoint such persons (including State officials, public elected officials, and other representatives of governmental authorities within the State) to serve on the North Carolina Health Coordinating Council as he deems appropriate; except that

(1) the number of persons appointed to the NCHCC under this paragraph may not exceed forty percentum (40%) or sixteen (16) members of the total membership of the NCHCC; and

(2) a majority of the persons appointed by the Governor under this paragraph shall be consumers of health care who are not providers of health care.

C. Not less than fifty-one percent (twenty-one members) nor more than sixty percent of the members on the NCHCC shall be consumers of health care who are not providers of health care.

D. Not less than one-third of the providers of health care who are members of the NCHCC shall be direct providers of health care.

E. The NCHCC shall, in addition to the other members appointed pursuant to this Section, include, as an ex-officio member, an individual whom the Chief Medical Director of the Veterans Administration shall have designated as a representative of the Veterans Administration facilities in North Carolina.

Section 3. Terms of Membership: The terms of membership of the North Carolina Health Coordinating Council shall be staggered so that the terms of not more than one-third of the forty members shall expire in a single calendar year. Terms shall be staggered in the following manner for the first three years:

13 serving one year

13 serving two years

14 serving three years

After which time, membership shall be for a term of three years.

No member shall serve a term exceeding three years, and no member shall serve more than two consecutive terms or more than six years.

Section 4. Vacancies: The Governor shall have the power to remove from office any member of the NCHCC for misfeasance, malfeasance, or nonfeasance. A vacancy occurring during a term of appointment is filled in the same manner as the original appointment and for the balance of the unexpired term.

Section 5. Per diem and travel expense: Members of the Council shall receive per diem and necessary travel and subsistence expenses in accordance with the Provisions of G.S. 138-5.

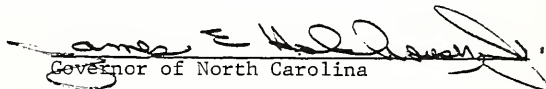
Section 6. Chairman: The Council shall elect annually from among its members a chairman and such other officers as it deems necessary. The term of office for the chairman shall be one calendar year, and the chairman may not succeed himself more than once.

Section 7. Meetings: The Council shall meet quarterly and at other times at the call of the chairman or upon written request of at least twenty-one of its members. All business meetings of the Council, its committees and subcommittees or special task forces shall be open to the public.

Section 8. Staff Assistance: The Department of Human Resources shall provide clerical and other services required by the Council.

Done at Raleigh, North Carolina, this the 1st day of June, in the year of our Lord, one thousand nine hundred seventy-six.



  
Governor of North Carolina





# 1976 SESSION LAW INDEX

NOTE: Resolution 121 of the 1975 Session of the General Assembly limited the second session of the 1975 General Assembly held in 1976 to consideration of only "bills and resolutions directly affecting" the 1976-1977 budget.

The General Assembly in 1976, in addition to budgetary matters, incorporated in the 1976-1977 Appropriations Act, Chapter 983, many special provisions. Because of this development, this index breaks down to the level of sections of Chapter 983 the special provisions of that Chapter. The section numbers are enclosed in parentheses. For the general schedule of appropriations to all State agencies for current operations and capital improvements, please see sections 1 through 3 of Chapter 983.

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